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ANNUAL REPORT 2018-19

Board Of Directors



Prof. R. S. S. Mani
Independent Director

Dr. Jimmy Mirchandani
Director

Dr. Rahul Mirchandani
Chairman & Managing Director

Mr. B. V. Dholakia
Independent Director

Mr. C. B. Chhaya
Independent Director

Mrs. Nitya Mirchandani
Director

Achievement



Champions of Rural Markets 2018
By Economic Times



10 Most Recommended Agritech
Companies in India By Insight Success
Magazine, March 2019



Aries has recently upgraded its
ISO 9001:2015 Certification



THERE COMES RARELY A TIME WHEN INDIA COMES TOGETHER

TO CELEBRATE
A GOLDEN JUBILEE...

THE ARIES 2020 GRAND FINALÉ



2019 - 20 marks the 50th year of Aries - a year to celebrate our legacy & strength. ARIES 2020 is our flagship golden jubilee marketing campaign launched on 19th April 2016 at the Bombay stock exchange where Aries dealers and distributors were provided the opportunity to book Aries products and enjoy special benefits.

Aries 2020 will set the stage for our grand golden jubilee celebration, recognizing customers who have doubled their Aries business during the 4 year campaign period. This is a unique celebration of the strength and vibrancy of our distribution network, and the immense trust and growth in our brands.





aries Family Grows

Futura Training Session for
Aquaculture Products, April 2018



Kolkata Office Inauguration, April 2018



Raipur Ground Breaking Ceremony, August 2018



Nepal Distributor's Joint Venture Factory Setup, August 2018



Annual Distributors Meeting kolkata, September 2018



Futura Technical Training Programme at Mumbai, December 2018



Women's Self Defence & Safety Programme at Mumbai, March 2019



Core Group Annual Planning Meeting at Visakhapatnam, February 2019

Distributors & Dealers Meets



Lonavala Dealers Meet, September 2018



Kakdweep Distributors Meeting, March 2019



Eastern Region Chairman's Club Meeting, September 2018



Gujarat & Rajasthan Dealers Meet at Udaipur, 2018



Thailand Chairman's Club Meeting, April 2019

Monthly Sales Review Meetings



Gujarat Sales Review Meet at EDI Campus, July 2018



Central Region's Half Yearly Review Meeting at Raipur, October 2018



Punjab Sales Review Meet at Ludhiana, November 2018

49th Annual Report 2018 - 2019

BOARD OF DIRECTORS

Dr. Rahul Mirchandani Chairman & Managing Director

Dr. Jimmy Mirchandani

Mrs. Nitya Mirchandani Non Executive-Non Independent Directors

Prof. R. S. S. Mani

Mr. C. B. Chhaya

Mr. B. V. Dholakia Independent Directors

AUDIT COMMITTEE

Mr. B. V. Dholakia - Chairman

Prof. R. S. S. Mani

Mrs. Nitya Mirchandani

Mr. C. B. Chhaya - w.e.f.-16.05.2019

STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. C. B. Chhaya - Chairman

Dr. Rahul Mirchandani

Mrs. Nitya Mirchandani

w.e.f. 13.02.2019 in place of Dr. Jimmy Mirchandani

NOMINATION & REMUNERATION COMMITTEE

Mr. C. B. Chhaya - Chairman

Prof. R. S. S. Mani

Mr. B. V. Dholakia

TREASURY COMMITTEE

Dr. Rahul Mirchandani - Chairman

Mr. C. B. Chhaya

Mrs. Nitya Mirchandani

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Dr. Rahul Mirchandani - Chairman

Mr. B. V. Dholakia

Mrs. Nitya Mirchandani

(w.e.f. 13.02.2019 in place of Dr. Jimmy Mirchandani)

PRESIDENT AND CHIEF FINANCIAL OFFICER

Mr. S. Ramamurthy

COMPANY SECRETARY AND SENIOR V.P.(Legal) & COMPLIANCE OFFICER

Mr. Qaiser P. Ansari

STATUTORY AUDITOR

M/s Sandeep Sheth and Associates

INTERNAL AUDITOR

M/s K. Narayanan & Associates

COST AUDITOR

M/s R. Nanabhoy & Co.

SECRETARIAL AUDITOR

Mr. A. Sekar

BANKERS

AXIS Bank Limited

Canara Bank

HDFC Bank Limited

ICICI Bank Limited

BRANCHES/STOCK LOCATIONS

Ahmedabad, Gujarat

Bangalore, Karnataka

Bhatinda-Punjab

Bhubaneshwar, Orissa

Coimbatore, Tamil Nadu

Ghaziabad, Uttar Pradesh

Guwahati, Assam

Hissar, Haryana

Hyderabad, Telangana

Indore, Madhya Pradesh

Jaipur, Rajasthan

Jalandhar, Punjab

Kolkata, West Bengal

Lucknow, Uttar Pradesh

Nagpur, Maharashtra

Nashik, Maharashtra

Nipani, Karnataka

Patna, Bihar

Raipur, Chhatisgarh

Ranchi, Jharkhand,

Rudrapur, Uttarakhand

Sholapur, Maharashtra

Sriganganagar, Rajasthan

Vijayawada, Andhra Pradesh

MANUFACTURING LOCATIONS

Mumbai

Hyderabad

Chhatral

Lucknow

Fujairah, UAE(Subsidiary Company)

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FINANCIAL HIGHLIGHTS - STANDALONE

(Rupees in Lakhs unless stated otherwise)					
Particulars	2018-19	2017-18	2016-17	2015-16	2014-15
Revenue from Operations (Gross)	32,030.91	31,988.68	27,719.13	23,461.58	23,913.26
Revenue from Operations (Net of Discounts / Rebates)	26,531.65	26,449.99	22,964.73	21,283.46	21,366.31
Total Income	27,283.07	26,860.98	23,117.35	21,426.05	21,518.59
Earnings Before Interest, Tax, Depreciation & Amortisation (EBITDA)	5,254.86	4,870.58	4,139.06	3,287.68	3,820.50
EBITDA %	19.81	18.41	18.02	15.45	17.88
Profit Before Depreciation and Tax	2,514.66	2,399.10	2,019.66	1,216.02	1,690.85
Profit Before Depreciation and Tax %	9.48	9.07	8.79	5.71	7.91
Profit Before Tax (PBT)	2,273.98	2,177.29	1,834.36	1,040.39	1,509.13
PBT %	8.57	8.23	7.99	4.89	7.06
Profit for the Year (PAT)	1,489.80	1,414.89	1,184.35	639.68	1,181.28
PAT %	5.62	5.35	5.16	3.01	5.53
Equity Dividend %	18.00	23.00	20.00	15.00	20.00
Dividend Payout	0.16	0.21	0.22	0.30	0.22
Net Worth	15,679.80	14,619.29	13,510.21	12,568.24	12,270.73
Gross Fixed Assets	7,225.69	6,582.70	5,436.16	5,414.16	4,902.41
Net Fixed Assets	3,860.43	3,404.92	2,480.03	2,577.40	2,109.58
Total Assets	42,492.22	38,501.69	31,824.53	29,904.20	28,892.42
Market Capitalisation	11,281.26	22,920.15	20,117.71	11,716.91	13,745.59
Number of Employees	924	868	822	748	753

KEY INDICATORS - STANDALONE

Particulars	2018-19	2017-18	2016-17	2015-16	2014-15
Earnings Per Share - Rs. (Excluding Exceptional Items)	11.46	10.88	9.11	4.92	9.08
Turnover Per Share - Rs.	204.02	203.39	176.59	163.66	164.30
Book Value Per Share - Rs.	120.57	112.42	103.89	96.65	94.36
Debt : Equity Ratio	1.03	1.02	0.83	0.90	0.87
EBITDA / Gross Turnover %	16.41	15.23	14.93	14.01	15.98
Net Profit Margin %	5.62	5.35	5.16	3.01	5.53
RONW %	9.50	9.68	8.77	5.09	9.63
ROCE %	15.57	15.51	15.78	12.80	15.60
Inventory Turnover (in days)	179	175	183	171	170
Debtors Turnover (in days)	137	131	127	139	140
Current Ratio	1.41	1.46	1.57	1.55	1.61
Price Earning Ratio	7.57	16.20	16.99	18.32	11.64
Market Vale per Share	86.75	176.25	154.70	90.10	105.70

FINANCIAL HIGHLIGHTS - CONSOLIDATED

(Rupees in Lakhs unless stated otherwise)					
Particulars	2018-19	2017-18	2016-17	2015-16	2014-15
Revenue from Operations (Gross)	32,030.91	35,011.55	31,290.52	28,975.85	30,977.14
Revenue from Operations (Net of Discounts / Rebates)	26,531.65	29,472.87	26,536.12	26,797.73	28,337.80
Total Income	26,863.23	29,672.14	26,842.24	26,939.44	28,472.05
Earnings Before Interest, Tax, Depreciation & Amortisation (EBITDA)	4,690.11	4,786.32	4,200.91	4,743.11	5,646.98
EBITDA %	17.68	16.24	15.83	17.70	19.93
Profit Before Depreciation and Tax	1,795.63	1,897.59	1,863.85	2,275.53	3,233.94
Profit Before Depreciation and Tax %	6.77	6.44	7.02	8.49	11.41
Profit Before Tax (PBT)	1,554.11	1,671.24	1,194.92	1,217.50	2,248.46
PBT %	5.86	5.67	4.50	4.54	7.93
Profit for the Year (PAT)	988.25	1,048.36	706.09	723.07	1,686.16
PAT %	3.72	3.56	2.66		
Equity Dividend %	18.00	23.00	20.00	15.00	20.00
Dividend Payout	0.24	0.29	0.37	0.27	0.15
Net Worth	18,910.35	18,290.58	17,519.28	17,159.11	16,604.56
Gross Fixed Assets	16,940.65	15,730.10	13,841.03	15,809.70	14,703.98
Net Fixed Assets	9,542.99	8,756.52	7,098.55	8,541.53	8,581.83
Total Assets	49,433.99	47,747.78	45,000.28	44,755.39	42,815.27
Market Capitalisation	11,281.26	22,920.15	20,117.71	11,716.91	13,745.59
Number of Employees	924	868	822	748	753

KEY INDICATORS - CONSOLIDATED

Particulars	2018-19	2017-18	2016-17	2015-16	2014-15
Earnings Per Share - Rs. (Excluding Exceptional Items)	7.60	8.06	5.43	5.56	12.97
Turnover Per Share - Rs.	204.02	226.64	204.06	206.07	217.91
Book Value Per Share - Rs.	145.42	140.65	134.72	131.95	127.68
Debt : Equity Ratio*	0.91	0.93	0.78	0.97	0.96
EBITDA / Gross Turnover %	14.64	13.67	13.43	16.37	18.23
Net Profit Margin %	3.72	3.56	2.66	2.70	5.95
RONW %	5.23	5.73	4.03	4.21	10.15
ROCE %	12.19	12.73	11.16	10.77	14.18
Inventory Turnover (in days)	179	157	195	193	182
Debtors Turnover (in days)	256	226	196	194	183
Current Ratio	1.47	1.53	1.64	1.58	1.59
Price Earning Ratio	11.42	21.86	28.49	16.20	8.15
Market Vale per Share	86.75	176.25	154.70	90.10	105.70

The Financial Highlights of the Company since 2006 is given below:

STANDALONE

(Amount in Rs. Crores unless stated otherwise)

Particulars	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Sales (Gross)	74.05	103.38	110.44	139.75	158.26	194.38	189.76	237.53	239.13	234.62	277.19	319.89	320.31
RM Consumption	16.97	28.19	16.86	48.17	29.22	33.81	35.81	55.08	62.71	41.47	47.68	55.92	49.29
PBT	13.98	15.40	5.04	18.94	22.36	16.50	14.03	18.41	15.09	10.40	18.34	21.77	22.74
PAT	8.69	11.54	3.11	12.56	14.72	10.98	9.71	11.86	12.14	6.40	11.84	14.15	14.90
Dividend including DDT	-	1.83	-	2.27	3.03	2.27	2.28	3.04	3.13	2.35	3.13	3.60	2.82
Dividend (Rs. / Share)	-	1.20	-	1.50	2.00	1.50	1.50	2.00	2.00	1.50	2.00	2.30	1.80
Inventory	16.97	20.98	50.36	46.87	84.19	102.82	102.40	99.48	99.68	99.28	114.91	127.15	129.79
Debtors	26.71	40.27	49.35	69.52	48.87	68.56	82.44	95.05	82.24	80.69	80.13	94.86	99.32
Loan Funds	21.47	23.08	70.49	87.54	103.20	123.12	148.14	131.64	106.90	113.69	111.68	149.08	161.31
Reserves	25.80	83.85	84.85	93.44	104.51	112.40	119.18	127.38	109.70	112.68	122.10	133.19	143.79
Installed Capacity in MT	21,600	54,000	84,600	84,600	84,600	84,600	84,600	84,600	84,600	84,600	84,600	95,400	95,400
Capacity Utilised in MT	18,534	19,891	16,907	35,647	39,577	40,608	38,070	40,608	43,146	41,454	49,068	58,194	59,799
Human Resources in Nos.	525	490	547	612	645	765	748	785	753	748	822	868	924

The Financial Highlights of the Company since 2006 is given below:

CONSOLIDATED

(Amount in Rs. Crores unless stated otherwise)

Particulars	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Sales (Gross)	74.14	103.38	113.08	152.44	180.05	239.04	254.80	302.43	309.77	289.76	312.91	350.12	320.31
RM Consumption	16.97	32.55	21.48	41.11	20.47	22.36	33.21	72.73	60.62	66.95	63.76	71.65	49.29
PBT	14.65	18.09	7.62	23.86	28.03	21.07	20.25	25.32	22.48	12.17	11.95	16.71	15.54
PAT	8.69	13.55	5.05	16.24	18.59	14.33	13.98	16.25	17.19	7.23	7.06	10.48	9.88
Dividend including DDT	-	1.83	-	2.27	3.03	2.27	2.28	3.04	3.13	2.35	3.13	3.60	2.82
Dividend (Rs. / Share)	-	1.20	-	1.50	2.00	1.50	1.50	2.00	2.00	1.50	2.00	2.30	1.80
Inventory	16.97	24.33	54.45	55.90	108.38	127.71	134.80	136.76	144.72	142.38	141.51	127.15	129.79
Debtors	27.04	43.02	56.15	66.22	55.27	88.08	100.64	131.80	115.91	118.33	142.39	182.18	185.89
Loan Funds	23.49	23.12	70.52	87.77	117.32	155.62	189.96	177.95	158.96	166.59	137.44	170.76	171.84
Reserves	25.80	85.92	90.65	100.60	116.43	126.81	146.18	163.82	153.04	158.59	162.19	169.90	176.10
Installed Capacity in MT	32,400	64,800	95,400	95,400	155,400	155,400	155,400	155,400	155,400	155,400	155,400	155,400	155,400

CHAIRMAN'S LETTER TO SHAREHOLDERS

Dear Members,

It is with great pleasure that I present to you the 49th Annual Report of your Company, Aries Agro Limited.

During the year under review 2018-19, the monsoon was at 91% of the LPA (Long Period Average) with drought condition in North East India. Only 2/3rd of the country received normal rainfall and 1/3rd of the country received deficient monsoon. After a good start in June 2018 at 95% of the LPA, the rainfall reduced to 76% of LPA in September 2018. This was followed by severe cold wave condition in the Rabi season and poor reservoir levels. Despite this the Company took the efforts to maintain its gross revenues. However, in order to boost lifting in the second half of the year especially in Q4, additional trade discounts were offered. On standalone basis the Company's gross revenue increased marginally by 0.13% from Rs.319.89 Crores to Rs.320.31 Crores. On a consolidated basis, international sales were suspended due to non-manufacturing in UAE facilities.

The total capacity utilization currently stands at 63% of the total installed capacity of 95,400 MT p.a. in India. During the year under review import substitutes continued due to full scale manufacturing of previously imported items at Hyderabad and Chhatral facilities.

Aries was felicitated by **Economic Times as one of the "Champions of Rural Markets 2018-19"** for having stood firm in the winds of globalization and having consistently served the rural market. Recognition by **Insight Success Magazine in March 2019** in their Annual Listing of the **"10 Most Recommended Agritech Companies in India"** that **embraces new Technology to deliver various end-to-end farm solutions** on a reliable foundation of rich insights on farming. For Fourteen consecutive years Aries Quality Management System was audited and certified as NS-EN ISO 9001:2015 with zero non-compliance report showing complete adherence to international quality standards.

Cost control measures strengthened along with continued focus on domestic manufacturing showed increase in profitability (PAT) by 5.29 percentage. On a consolidated basis despite the restructuring of international operations consolidated P&L showed a slight reduction in PAT in comparison with the previous Financial Year.

Aqua based products were introduced during the financial year namely Aqua Boost, Aquacan, Aquagold, Aquamag, Aquamin Plus, Aquashell, Aqua Zincmag, Aquablend Forte and Aquazin Plus.

Distributors in Nepal have put up their own manufacturing unit to support and increase sales and distribution network of Aries Products throughout Nepal.

Aries continues its tradition of carrying out a range of activities that spread knowledge and adoption of farming best practices in the markets that Aries functions in. During the year we emphasized more on higher standard of living and sustainable environment.

Accordingly we had initiated two unique programmes viz. Aries greencups - an effort to introduce urban and semi urban kids to the concept of growing food which is an unique concept of soil-less cultivation taught to the students and school faculty. Aries Water Wheel is an endeavor to effectively deliver portable water over long distances particularly useful in areas where portable water is scarce.

In addition to the above, Aries' extension team continues to strongly advocate good agricultural practices in all states of India. The activities are conducted under the supervision of Agronomist and Agricultural Research Institutions throughout the year. During the year around 10,000 knowledge dissemination activities including farmers meeting were undertaken impacting 128,217 number of farmers. These sessions were conducted by team of 116 extension officials spread across 26 states.

The Company also provided fees and scholarships to students in addition to series of awards to meritorious students.

The Company's Call Centre based in Vijayawada continued to provide answers to farmers' queries on integrated nutrient management, pest management, soil health and post harvest management. The Company also organized soil testing camps in 3 major consuming states using Mobile Soil Testing Kits.

The Company in coordination with Confederation of Indian Industry (CII) transported relief materials to Kerala for distribution to the flood affected people. The relief material included: Blankets, Groceries, Medicines, Hygiene products, Footwear, etc. The staff also contributed upto a day's salary to the relief fund.

2019 monsoons are expected to be near normal at 96% of LPA. The Company is hopeful of achieving good growth in revenues and profitability. The future of Aries, which is embarking on its golden jubilee year in 2019-20, is being charted by strengthening its focus areas. The Company continued to conduct its digital flash sale this year with "App only" bookings leading to participation of 1431 Nos. of dealers/distributors from all states with a total booking of Rs. 510/- Crores for 2019-20 and we envisage conversion of 75 - 80% of this order.

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

Sincerely,

Dr. Rahul Mirchandani
Chairman & Managing Director

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Forty Ninth Annual General Meeting of the Members of **ARIES AGRO LIMITED** will be held on Monday, the 30th September, 2019 at 10.30 a.m. at The Huddle, Stellar Towers, 12th Floor, Opp: K. Star Mall, Diamond Garden, Chembur, Mumbai-400 071, to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider, approve and adopt:
 - a. the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2019, together with the Reports of the Board of Directors and the Auditors thereon, and
 - b. the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2019, together with the Report of the Auditors thereon.
2. To declare Dividend for the Financial Year ended 31st March, 2019.
3. To appoint a Director in place of Dr. Jimmy Mirchandani (DIN 00239021) who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS

4. **Re-appointment of Prof. R. S. S. Mani as an Independent Director.**

To consider and if thought fit to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013("Act") the Companies(Appointment and Qualifications of Directors) Rules, 2014 read with Schedule IV to the Act and Regulation 17 and other applicable Regulations of the Securities and Exchange Board of India(Listing Obligations and Disclosure Requirements) Regulations, 2015("Listing Regulations") as amended from time to time, Prof. R. S. S. Mani (DIN 00527270), who was appointed as an Independent Director of the Company at the Forty Forth Annual General Meeting held on 26th September, 2014 and who holds office upto 25th September, 2019 and who is eligible for re-appointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, based on the recommendation of the Nomination and Remuneration Committee, to hold office for a second term commencing from 26th September, 2019 upto 25th September, 2024, not liable to retire by rotation."

5. **Re-appointment of Mr. Bhumitra Vinodchandra Dholakia as an Independent Director.**

To consider and if thought fit to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013("Act") the Companies(Appointment and Qualifications of Directors) Rules, 2014 read with Schedule IV to the Act and Regulation 17 and other applicable Regulations of the Securities and Exchange Board of India(Listing Obligations and Disclosure Requirements) Regulations, 2015("Listing

Regulations") as amended from time to time, Mr. Bhumitra Vinodchandra Dholakia (DIN 01871816), who was appointed as an Independent Director of the Company at the Forty Forth Annual General Meeting held on 26th September, 2014 and who holds office upto 25th September, 2019 and who is eligible for re-appointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, based on the recommendation of the Nomination and Remuneration Committee, to hold office for a second term commencing from 26th September, 2019 upto 25th September, 2024, not liable to retire by rotation."

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

To consider and if thought fit the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of Rs. 2,64,000/-(Rupees Two Lakhs Sixty Four Thousands Only) plus Service Tax and reimbursement of Out of Pocket Expenses at actual as approved by the Board of Directors of the Company payable to M/s. R. Nanabhoy & Co., Cost Accountants, having firm's registration No. 000010 for conducting the Cost Audit of the cost records maintained by the Company for the financial year ending 31st March, 2020, be and is hereby ratified."

7. **Approval of the amendment in the terms of the deployment of funds referred to in the Prospectus dated 26th December, 2007 issued by the Company.**

To consider and if thought fit the following Resolution as a **Special Resolution**:

"RESOLVED in modification of the Special Resolution passed at the 39th Annual General Meeting held on 29th September, 2009, that pursuant to the provisions of Section 27 and other applicable provisions, if any, of the Companies Act, 2013 approval be and is hereby accorded to the Board of Directors of the Company to delete, add, amend or in any way vary or modify, if so deemed necessary, any of the terms and provisions or any one or more of the terms of the deployment of the funds i.e. utilization of the Proceeds of the Initial Public Offering as referred to in the Prospectus dated 26th December, 2007 issued by the Company and the Company does hereby ratify the acts of the Directors in respect of such deletions, additions, variations or modifications, if made, in any of the terms of the said deployment of funds since the date of issue of the said Prospectus."

By Order of the Board

Qaiser P. Ansari
 Place: Mumbai **Company Secretary and Senior V.P.(Legal)**
 Date: 8th August, 2019 **Membership No. ACS-8979**

NOTES:
MEMBER'S ENTITLEMENT TO ATTEND MEETING AND APPOINT PROXY

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE AT THE MEETING, ON A POLL, ON HIS/HER BEHALF. SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. THE INSTRUMENT OF PROXY, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY AT ARIES HOUSE, PLOT NO. 24, DEONAR, GOVANDI(E), MUMBAI-400 043, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM IS ANNEXED TO THIS NOTICE. PROXIES SUBMITTED ON BEHALF OF LIMITED COMPANIES, SOCIETIES, ETC MUST BE SUPPORTED BY APPROPRIATE RESOLUTION OR AUTHORITY AS APPLICABLE. PROXY SO APPOINTED SHALL NOT HAVE ANY RIGHT TO SPEAK AT THE MEETING.

Pursuant to the provision of Section 105 of the Companies Act, 2013 a person can act as a Proxy on behalf of Members not exceeding fifty in numbers and holding in the aggregate not more than ten percent of the total Share Capital of the Company carrying Voting Rights. A Member holding more than ten percent of the total Share Capital of the Company carrying Voting Rights may appoint a single person as Proxy and such person shall not act as a Proxy for any other Person or Shareholder.

CORPORATE MEMBER

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

ATTENDANCE SLIP

4. Members/ Proxies/Authorised Representatives should bring duly filled in Attendance Slip annexed to this Notice, to attend the Meeting. The Identity/Signature of the Members holding shares in Electronic/Demat form is liable for verification with Specimen Signatures as may be furnished by NSDL/CDSL to the Company. Such Members are advised to bring the relevant Identity Card issued by the Depository Participant to the Annual General Meeting.

JOINT HOLDERS

5. In case of Joint Holders attending the Meeting, only such Joint Holders who are higher in the order of the names will be entitled to vote.

SPECIAL BUSINESS AND EXPLANATORY STATEMENT

6. The relative Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 setting out material facts concerning the business under Item Nos. 4 to 7 of the Notice, is annexed hereto. Additional information, pursuant to applicable Regulations SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this Annual General Meeting (AGM) is furnished in this Notice.

INFORMATION AND INSPECTION OF DOCUMENTS

7. All the documents referred to in the Notice and Explanatory Statement are open for inspection at the Registered Office of the Company between 10.00 a.m. and 12.00 noon on all days, except Saturdays, Sundays and Holidays until the date of the Annual General Meeting or any adjournment thereof.
8. Members desirous of getting any information about the accounts and operations of the Company are requested to write their queries to the Company at least seven days in advance of the meeting so that the information required can be made readily available at the Meeting.

NOMINATION FACILITY

9. Individual shareholders can now take the facility of nomination. The nominee shall be the person in whom all rights of transfer and/or amount payable in respect of shares shall vest in the event of the death of the shareholder(s). A minor can be a nominee provided the name of the guardian is given in the Nomination Form. Members holding shares in Demat form are requested to contact their DPs for registration of nominations. Members holding shares in physicals form are and interested in availing the nomination facility are requested to contact the Company/Registrar and Transfer Agent of the Company M/s Aarthi Consultants Private Limited.

BOOK CLOSURE AND CUT OFF DATE

10. The Company has fixed Friday, 20th September, 2019 as the "Cut Off/Record Date" for determining entitlement of Members to Dividend for the Financial Year 2018-19.
11. The Register of Members and Share Transfer Books of the Company will be closed from Saturday, 21st September, 2019 to Monday, 30th September, 2019 (both days inclusive) for the purpose of the AGM and determining the names of Members eligible for Dividend on Equity Shares for the Financial Year 2018-19.

PAYMENT OF DIVIDEND AND BANK DETAILS

12. If Dividend, as recommended by the Board of Directors, is approved at the AGM, such Dividend will be paid on 25th October, 2019 to those Members whose names appear on the Register of Members on 20th September, 2019. In respect of shares held in electronic form through the Depositories, Dividend will be paid on the aforesaid date to the Beneficial Owners of shares whose names appear at the close of business hours on 20th September, 2019 as per details furnished by the Depositories for this purpose.
13. The Securities and Exchange Board of India (SEBI) has made it mandatory to print the Bank Details of the Investors on the physical payment instruments, if any payment is made to Investors by physical payment instrument. Members holding shares in physical form are requested to provide Bank details to facilitate payment of dividend etc., either in electronic mode or for printing on the payment instruments, to the Company's Registrars and Transfer Agents, along with a photocopy of a blank cheque pertaining to the concerned account.

SHAREHOLDERS' OBLIGATIONS

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

15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number(PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit PAN to their Depository Participants with whom they are maintaining their Demat Accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrars and Transfer Agents, M/s Aarthi Consultants Private Limited.
16. During Financial Year 2018-19, the Securities and Exchange Board of India('SEBI') and Ministry of Corporate Affairs('MCA') has mandated that existing Member of the Company who hold securities in physical form and intend to transfer their securities after 1st April, 2019, can do so only in dematerialized form. Therefore, Members holding shares in physical form are requested to consider converting their shareholding to dematerialized form to eliminate all risks associated with physical shares for ease of Portfolio Management as well as for ease of transfer, if required, Shareholders can write to the Company at investorrelations@ariesagro.com or contact the Company/Registrars and Transfer Agents, M/s Aarthi Consultants Private Limited for assistance in this regard.

GREEN INITIATIVE

17. To support the 'Green Initiative' the members who have not registered their email addresses are requested to register the same with the Registrars and Transfer Agents, M/s Aarthi Consultants Private Limited.
18. Section 20 of the Companies Act, 2013, as amended from time to time, permits service of documents on Members by a Company through electronic mode. Hence, in accordance with the Companies Act, 2013 read with the Rules framed thereunder, as amended, the Annual Report 2018-19 is being sent through electronic mode to those Members whose email addresses are registered with the Company/Depository Participant unless any Member has requested for a physical copy of the Report. For Members who have not registered their email addresses, physical copies of the Annual Report 2018-19 are being sent by the permitted modes. Members may note that Annual Report 2018-19 will also be available on the Company's website at www.ariesagro.com.
19. **Members are requested to bring their copy of the Annual Report to the Annual General Meeting.**

NON RESIDENT INDIAN MEMBERS

20. Non-Resident Indian Members are requested to inform Registrars and Transfer Agents M/S Aarthi Consultants Private Limited, immediately of:-
 - a) Change in their residential status on return to India for permanent settlement.
 - b) Particulars of their Bank Account maintained in India with complete Name, Branch, Account Type, Account Number and address of the Bank with Pin Code Number, if not furnished earlier.

UNCLAIMED DIVIDEND AND SHARES

21. The Company has submitted with the MCA the List of Un-Paid Dividends as on the date of the last AGM and the same is also displayed in the Investor Relations Section on our web-site at www.ariesagro.com.
22. In compliance with Section 124 and other applicable provisions of the Companies Act, 2013 and rules framed thereunder,

unclaimed Dividend for the year ended 31st March, 2011 has been transferred to the 'Investor Education and Protection Fund' (IEPF) established by the Central Government. Unclaimed Dividends for all the subsequent years will be transferred to the IEPF according to the statutory stipulations. Members are requested to contact the Company's Registrar & Share Transfer Agents, in respect of their outstanding dividends for the succeeding years.

23. In compliance with Section 124(6) and other applicable provisions of the Companies Act, 2013 and rules framed thereunder, shares in respect of which dividend has not been paid or claimed for seven consecutive years or more, have been transferred to IEPF and List of such transferred Shares has been posted on the web site of the Company i.e. www.ariesagro.com.

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

All the Share Holders are requested to claim the Unpaid/ Unclaimed Dividends due to them by making an application to M/S. Aarthi Consultants Pvt.Ltd., Registrar and Transfer Agents of the Company or directly to the Company on or before 5th October, 2019. In case the Share Holders fail to claim the above dividend, all the concerned shares (whether held in physical or electronic form) will be transferred by the Company to IEPF Account. Kindly note that dividend for Financial Year 2010-11 Final has already been transferred to IEPF.

However, the Share Holders can claim from IEPF Authority both unclaimed dividend amount and the shares transferred to IEPF Account by making an application in Form IEPF-5 online and sending the physical copy of the same duly signed (as per registered specimen signature) along with requisite documents enumerated in the said Form IEPF-5 to the Company at its Registered Office or to M/S. Aarthi Consultants Pvt. Ltd., Registrar and Transfer Agents of the Company for verification of their claim.

INFORMATION TO THE SHAREHOLDERS

24. The Annual Report duly circulated to the Members of the Company, is available on the Company's Website at www.ariesagro.com and on the website of M/S. **Aarthi Consultants Private Limited** at www.aarthiconsultants.com
25. Shareholders can register their complaints, if any, on an exclusive e-mail id investorrelations@ariesagro.com which has been designated for the said purpose.
26. The Company's Equity Shares are listed at (i) BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001; and (ii) National Stock Exchange of India Limited, Exchange Plaza, Floor 5, Plot No. C/1, Bandra (East), Mumbai- 400051 and the Company has paid the Annual Listing Fees to the said Stock Exchanges for the year 2019-20.
27. The route Map showing directions to reach the Venue of the 49th Annual General Meeting is annexed.

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

Particulars required	Information
Name of the Director	Dr. Jimmy Mirchandani
Date of Birth	10 th January, 1956
Date of Appointment	15 th January, 1976
Expertise in specific functional areas	Global Marketing and consultancy
Qualifications	B.Sc. (Veterinary), LL B.

Brief Resume:

Dr Jimmy Mirchandani is a Bachelor of Veterinary Science & Animal Husbandry from Konkan Krishi Vidyapeeth-Agri University. He has been conferred "Bachelor of Laws" by Mumbai University. Dr Jimmy Mirchandani is with Aries for almost 43 years; more particularly involved with the development of new products. He was the Chairman and Managing Director of the Company for 8 years and was looking after the day to day operations of the Company. He was instrumental in propelling Aries Research into the chelation area. He was also the president of Indian Micro Fertilizers Manufacturers' Association of India (2001-2005). The Company appointed Dr. Jimmy Mirchandani as a Consultant effective 4th April, 2017 for a period of five years for which the consent of the shareholders was obtained at the AGM held on 28th September, 2018.

Relationship between Directors inter-se	Brother of Chairman and Managing Director, Dr. Rahul Mirchandani and Brother-in-Law of Non-Executive-Non-Independent(Woman) Director, Mrs. Nitya Mirchandani
Chairman/Member of the Committees of the Board of Directors of the Company.	NONE
Directorship in other Companies	Sreeni Agro Chemicals Ltd. Aries East-West Nutrients Pvt. Ltd. Blossoms International Ltd. Aries Agro Care Pvt. Ltd. Aries Agro Equipments Pvt. Ltd. Aries Agro Produce Private Limited Golden Harvest Middle East FZC Amarak Chemicals FZC
Membership of Audit Committee of other public limited companies	NIL
Membership of any other Committee of other Public Limited Companies.	NIL
Number of Shares held in the Company	33,44,830

Particulars required	Information
Name of the Director	Prof. R. S. S. Mani
Date of Birth	31 st May, 1963
Date of Appointment	16 th August, 2004(Appointed for a term of 5(Five Years at the Forty Forth AGM held on 26 th September, 2014)
Expertise in specific functional areas	Independent Director-Wide Experience HR and Personnel/Industrial Area
Qualifications	B.Sc./M.A.Personnel Management & Industrial Relations, TISS

Brief Resume:

Prof. R.S.S. Mani is a HRD & Management Strategy expert, associated in value added interventions to many reputed Companies in the domains of HRM, Institution Building, T&D, OB, OD, and such. Prof. Mani has been associated in training & consultancy activities with a large number of corporates such as Wockhardt, L&T, M&M, TATA Group, RIL, Thomas Cook, Aditya Birla Group amongst many others in their strategic HRM projects. Prof. Mani (a gold medalist from TISS) was also a full time faculty member of TATA Institute of Social Sciences (TISS) associated with the personnel management department. He was incharge of conducting training programmes for many organizations throughout India. He has been the Advisor - Career Development for the SIES group of institutions in Nerul and is also a visiting professor at TISS. Prof R S S Mani was bestowed the SAMAJ SHAKTI AWARD for his outstanding contribution in the sphere of education. He supports several educational charities in Mumbai & is also the Hon Director of the Computer Education & Library of the SHHPBS. He is also acknowledged as an eminent career guidance specialist & has mentored several executives shape their careers.

Relationship between Directors inter-se	None
Chairman/Member of the Committees of the Board of Directors of the Company.	Member of Audit Committee, Nomination and Remuneration Committee
Directorship in other Companies	Aries Agro Care Private Limited Aries Agro Equipments Private Limited
Membership of Audit Committee of other Public Limited Companies	NIL
Membership of any other committee of other Public Limited Companies	NIL
Number of Shares held in the Company	NIL

Particulars required	Information
Name of the Director	Mr. Bhumitra Vinodchandra Dholakia
Date of Birth	3 rd September, 1949
Date of Appointment	13 th November, 2012 (Appointed for a term of 5 (Five Years at the Forty Forth AGM held on 26 th September, 2014)
Expertise in specific functional areas	Independent Director-Wide Experience and Banking, Secretarial and Corporate Governance Areas
Qualifications	B.A., LL.B., CAIIB. FCS.

Brief Resume:

Mr. Bhumitra Vinodchandra Dholakia,, is an Independent Director on the Board of our Company. He holds a Bachelors degree in Arts (Economics) and Laws obtained from Gujarat University and is a Certified Associate of Indian Institute of Bankers. He holds a Certificate of Practice as Company Secretary and is a Fellow Member of the Institute of Company Secretaries of India, New Delhi. He has more than 40 years of experience as a Company Secretary and has been in Whole Time Practice for more than 35 years. He has worked as Company Secretary with Public and Listed Companies. He started his Practice in the year 1984 and since then he is in practice and presently he is the Designated Partner of M/s. Dholakia & Associates LLP, He is on the Board of few Public and Private Limited Companies. He has gained the expertise out of nearly 40 years experience in the field of Corporate Governance, Board Process, Compliance Management and overall Corporate Functioning.

Relationship between Directors inter-se	None
Chairman/Member of the Committees of the Board of Directors of the Company.	Chairman of Audit Committee. Member of the Nomination and Remuneration Committee and Corporate Social Responsibility Committee(CSR Committee).
Directorship in other Companies	1. Mruga Corporate Services Limited 2. Rapicut Carbides Limited (Listed) 3. Girl Effect Enterprise India Private Limited
Membership of Audit Committee of other Public Limited Companies	Chairman of Audit Committee of Rapicut Carbides Limited
Membership of any other Committee of other Public Limited Companies.	Chairman of Nomination and Remuneration Committees of Rapicut Carbides Limited and Mruga Corporate Services Limited
Number of Shares held in the Company	NIL

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

AARTHI CONSULTANTS PRIVATE LIMITED

1-2-285, Domalguda, Hyderabad – 500 029,

Telangana, India\

Tel : +91-40-27634445 / 27642217, Fax: +91-40-27632184

E-mail: aries@aarthiconsultants.com

Website: www.aarthiconsultants.com

30. **Voting through electronic means**

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 49th Annual General Meeting (AGM) by electronic means and the business may be transacted through remote e-Voting Services provided by Central Depository Services Limited (CDSL).

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

- The voting period begins on Wednesday, 25th September, 2019 at 10.00 a.m. and ends on Sunday, 29th September, 2019 at 5.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the Cut-Off date Friday, 20th September, 2019, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
- Shareholders who have already voted prior to the Meeting date would not be entitled to vote at the Meeting Venue.
- The shareholders should log on to the e-voting website www.evotingindia.com during the voting period
- Click on "Shareholders" tab.
- Now Enter your User ID
 - For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.

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

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

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

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number(Available in the Address label pasted in the cover and/or in the e-mail sent to the members) in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. e.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details Or Date of Birth(DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. <ul style="list-style-type: none"> If both the details are not recorded with the Depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

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

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

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

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

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

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

- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone user can download the app from App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xx) Note for Non-Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

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

Name: Mr. Rakesh Dalvi
 Designation: Manager
 Address: A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (E), Mumbai – 400013.
 Email id: helpdesk.evoting@cdslindia.com
 Phone number: 1800225533

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

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

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

By Order of the Board

Qaiser P. Ansari

Place: Mumbai **Company Secretary and Senior V.P.(Legal)**
 Date: 8th August, 2019 **Membership No. ACS-8979**

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

Item No. 4

Prof. R. S. S. Mani was appointed as a Non-Executive Non-Promoter Director of the Company effective 16th August, 2004. On April 1, 2014, the Ministry of Corporate Affairs notified Section 149 of the Act and related Rules. Pursuant to the said provisions, Prof. R. S. S. Mani was appointed as an Independent Director of the Company by the Shareholders of the Company at the 44th Annual General Meeting of the Company held on 26th September, 2014, for a period of five years with effect from 26th September, 2014 upto 25th September, 2019.

The Board on 8th August, 2019, based on the recommendations of the Nomination and Remuneration Committee and pursuant to the performance evaluation of Prof. R. S. S. Mani as a Member of the Board and considering that the continued association of Prof. R. S. S. Mani would be beneficial to the Company, re-appointed Prof. R. S. S. Mani as an Independent Director of the Company, not liable to retire by rotation, for a second term effective 26th September, 2019 up to 25th September, 2024 subject to the approval of the members at an ensuing Annual General Meeting. Further, the Company has, in terms of Section 160(1) of the Act, received a notice in writing from a Member proposing the candidature of Prof. R. S. S. Mani for the office of Director.

The Company has received from Prof. R. S. S. Mani (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 (ii) Intimation in Form DIR-8 in terms of the Companies (Appointment and Qualifications of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164(2) of the Act, (iii) Declaration to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act read with Regulation 16 and Regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (**‘Listing Regulations’**) and (iv) Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, that he has not been debarred from holding office of a Director by virtue of any Order passed by Securities and Exchange Board of India or any other such authority.

In terms of Section 149, 152 and other applicable provisions of the Act, read with Schedule IV of the Act and the Rules made thereunder, and in terms of the applicable provisions of the Listing Regulations, each as amended, the re-appointment of Prof. R. S. S. Mani as an Independent Director of the Company for a second term commencing 26th September, 2019 up to 25th September, 2024 is being placed before the Shareholders for their approval by way of a Special Resolution. Prof. R. S. S. Mani, once appointed, will not be liable to retire by rotation.

In the opinion of the Board, Prof. R. S. S. Mani is a person of integrity, fulfils the conditions specified in the Act and the Rules made thereunder read with the provisions of the Listing Regulations, each as amended, and is independent of the Management of the Company. A copy of the draft letter of appointment of Prof. R. S. S. Mani as an Independent Director setting out the terms and conditions is available for inspection without any fee payable by the Members at the Registered Office of the Company during the normal business

hours on working days up to the date of the Annual General Meeting (**‘AGM’**) and will also be kept open at the venue of the AGM till the conclusion of the Meeting.

The profile and specific areas of expertise of Prof. R. S. S. Mani are provided else where in this Notice.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, except Prof. R. S. S. Mani, to whom the resolution relates, is concerned or interested in the Resolution mentioned at Item No. 4 of the Notice.

The Board recommends the Resolution set forth in Item No. 4 for the approval of the Members.

Item No. 5

Mr. Bhumitra Vinodchandra Dholakia was appointed as a Non-Executive Non-Promoter Director of the Company effective 13th November, 2012. On April 1, 2014, the Ministry of Corporate Affairs notified Section 149 of the Act and related Rules. Pursuant to the said provisions, Mr. Bhumitra Vinodchandra Dholakia was appointed as an Independent Director of the Company by the Shareholders of the Company at the 44th Annual General Meeting of the Company held on 26th September, 2014, for a period of five years with effect from 26th September, 2014 upto 25th September, 2019.

The Board on 8th August, 2019, based on the recommendations of the Nomination and Remuneration Committee and pursuant to the performance evaluation of Mr. Bhumitra Vinodchandra Dholakia as a Member of the Board and considering that the continued association of Mr. Bhumitra Vinodchandra Dholakia would be beneficial to the Company, re-appointed Mr. Bhumitra Vinodchandra Dholakia as an Independent Director of the Company, not liable to retire by rotation, for a second term effective 26th September, 2019 up to 25th September, 2024 subject to the approval of the members at an ensuing Annual General Meeting.. Further, the Company has, in terms of Section 160(1) of the Act, received a notice in writing from a Member proposing the candidature of Mr. Bhumitra Vinodchandra Dholakia for the office of Director.

The Company has received from Mr. Bhumitra Vinodchandra Dholakia (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 (ii) Intimation in Form DIR-8 in terms of the Companies (Appointment and Qualifications of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164(2) of the Act, (iii) Declaration to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act read with Regulation 16 and Regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (**‘Listing Regulations’**) and (iv) Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, that he has not been debarred from holding office of a Director by virtue of any Order passed by Securities and Exchange Board of India or any other such authority.

In terms of Section 149, 152 and other applicable provisions of the Act, read with Schedule IV of the Act and the Rules made thereunder, and in terms of the applicable provisions of the Listing Regulations, each as amended, the re-appointment of Mr. Bhumitra Vinodchandra Dholakia as an Independent Director of the Company for a second term commencing 26th September, 2019 up to 25th September, 2024 is being placed before the Shareholders for their approval by way

of a Special Resolution. Mr. Bhumitra Vinodchandra Dholakia, once appointed, will not be liable to retire by rotation.

In the opinion of the Board, Mr. Bhumitra Vinodchandra Dholakia is a person of integrity, fulfils the conditions specified in the Act and the Rules made thereunder read with the provisions of the Listing Regulations, each as amended, and is independent of the Management of the Company. A copy of the draft letter of appointment of Mr. Bhumitra Vinodchandra Dholakia as an Independent Director setting out the terms and conditions is available for inspection without any fee payable by the Members at the Registered Office of the Company during the normal business hours on working days up to the date of the Annual General Meeting ('AGM') and will also be kept open at the venue of the AGM till the conclusion of the Meeting.

The profile and specific areas of expertise of Mr. Bhumitra Vinodchandra Dholakia are provided else where in this Notice.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, except Mr. Bhumitra Vinodchandra Dholakia, to whom the resolution relates, is concerned or interested in the Resolution mentioned at Item No. 5 of the Notice.

The Board recommends the Resolution set forth in Item No. 5 for the approval of the Members.

Item No. 6

The Board, on the recommendation of the Audit Committee, has approved the appointment of and payment of remuneration to the Cost Auditors to conduct the audit of the Cost Records of the Company for the financial year ending March 31, 2020 for a audit fee of Rs. 2,64,000/- (Rupees Two Lakhs Sixty Four Thousands Only) p.a. plus Goods and Service Tax (GST) and reimbursement of Out of Pocket Expenses at actual.

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

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2020.

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

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

Item No. 7

Section 27 of the Companies Act, 2013, requires Shareholder's consent for varying any of the terms and conditions referred to in the Prospectus issued by the Company. The Prospectus dated 26th December, 2007 for issue of 45,00,000 Equity Shares of Rs. 10/- each at a Price of Rs. 130/- per Equity Share (including Share Premium of Rs. 120/- per Equity Shares), referred to the deployment of funds for various purposes including Renovation of existing Office Building & addition to existing Office Building at Deonar, Mumbai at approximate Cost of Rs. 683.80 Lakhs.

The Members in the 39th Annual General Meeting held on 29th September, 2009 had approved variation by passing a Special Resolution wherein the funds set out for deployment for the Additional unit in Maharashtra was approved for utilization for meeting Working Capital requirement of the Company.

In the course of working towards the objective set out by the Company, the Management was seriously exploring the Renovation of existing Office Building and Addition to the Office Building and in the course have paid advances for obtaining various rights/ mobilization of the said extension. However due to high escalation in material and other related costs coupled with rearrangement of existing Office space, the Management is of the opinion that it is not prudent to invest in the said Renovation/Expansion and has therefore decided to call back the money so paid which on receipt would be used for Working Capital Requirement of the Company. The Company expects to receive the monies so paid by March, 2020

Section 27 of the Companies Act, 2013, requires Shareholder's consent or authority for varying the terms and conditions specified in the Prospectus issued by the Company.

The Board commends the Special Resolution at Item No. 7 for approval by the Members.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.7 of the Notice.

By Order of the Board

Qaiser P. Ansari

Place: Mumbai **Company Secretary and Senior V.P. (Legal)**
Date: 8th August, 2019 **Membership No. ACS-8979**

BOARD'S REPORT

To
The Members,
Aries Agro Limited

Your Directors have pleasure in presenting their 49th Annual Report on the operations of the Company together with the Audited Financial Statements for the Financial Year ended 31st March, 2019.

FINANCIAL PERFORMANCE

(Rupees in Lakhs unless stated otherwise)

Particulars	Standalone				Consolidated			
	Year Ended		Year Ended		Year Ended		Year Ended	
	31st March, 2019		31st March, 2018		31st March, 2019		31st March, 2018	
Revenue from Operations		32,030.91		31,988.68		32,030.91		35,011.55
Less :- Discount / Rebates		5,499.26		5,538.69		5,499.26		5,538.69
		26,531.65		26,449.99		26,531.65		29,472.87
Other Income		751.42		410.99		331.58		199.28
Total Revenue (including Other Income)		27,283.07		26,860.98		26,863.23		29,672.14
Profit Before Tax, Interest & Depreciation		5,254.86		4,870.58		4,690.11		4,786.32
Less :- Finance Costs	2,740.21		2,471.48		2,894.48		2,888.73	
Depreciation & Amortisation Expense	240.68		221.81		241.52		226.35	
		2,980.88		2,693.29		3,136.00		3,115.08
Profit Before Tax		2,273.98		2,177.29		1,554.11		1,671.24
Less :- Current Tax	809.00		687.00		809.00		687.00	
Adjustment of Tax relating to earlier periods	3.72		9.70		3.72		9.70	
Deferred Tax	(28.53)		65.70		(28.53)		65.70	
		784.18		762.40		784.18		762.40
Profit for the year		1,489.80		1,414.89		769.93		908.84
Less :- Non-Controlling Interest		-		-		(218.32)		(139.52)
Profit for the year attributable to Owners of the Parent		1,489.80		1,414.89		988.25		1,048.36
Balance brought forward		7,456.76		6,354.90		9,970.32		9,234.99
Amount available for Appropriation		8,946.56		7,769.79		10,958.57		10,283.36
Less :- Dividend Paid	299.11		260.09		299.11		260.09	
Tax on Dividend Proposed	60.89		52.95		60.89		52.95	
Provision for Doubtful Debts	-		-		258.35		-	
		360.00		313.03		618.35		313.03
Surplus carried forward to Balance Sheet		8,586.56		7,456.76		10,340.22		9,970.32

OPERATIONS STANDALONE

During the year under review, the Earnings Before Interest, Depreciation and Tax was 19.81% compared to 18.41% in the previous year. The Total Revenue (excluding Other Income) for the year net of discount / rebates was Rs. 26,531.65 Lakhs as against Rs. 26,449.99 Lakhs in the previous year. Profit after tax for the year was 5.62% compared to 5.35% in the previous year.

CONSOLIDATED FINANCIAL STATEMENT

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

The Consolidated Profit Before Interest, Depreciation, Exceptional Items and Taxes (EBITDA) of the Group was Rs. 4,690.11 Lakhs in the Financial Year 2018-19 compared to Rs. 4,786.32 Lakhs in the previous year. Consequently, the Consolidated Profit Before Exceptional Items and Taxes (PBT) was Rs. 1,554.11 Lakhs in the Financial Year 2018-19 compared to Rs. 1,671.24 Lakhs in the previous year.

FINANCIAL REVIEW

With the collective support of staff and Aries Customers the Company was able to improve its revenue from Indian operations by 0.13 % with an increase in profitability before tax by 0.34% in comparison with the previous year.

The global operations remained suspended till date and raw materials and finished goods on hand were sold. A further plan of action is being worked out in the best interests of the Company's profitability. Please refer to the discussion made in the Management and Discussion Analysis Report forming part of this Report.

DIVIDEND

After considering earnings, requirement for funds and with the objective of suitably rewarding the Shareholders, the Directors have recommended a Dividend of 18% being Rs. 1.80 per Equity Share of Rs. 10/- each which is 18.94% of Net Profit for the year ended 31st March, 2019 (previous year 23% being Rs. 2.30 per Equity Share of Rs. 10/- each which is 21.14% of Net Profit) subject to your approval at the ensuing Annual General Meeting. The Dividend, if approved, will result in an outflow of Rs. 282.19 Lakhs including Dividend Distribution Tax.

TRANSFER TO RESERVES

The Board of Directors has decided to retain the entire amount of Profit for Financial Year 2018-19 in the Statement of Profit and Loss..

FUTURE PROSPECTS:

The Company had annual booking bazaars using its Digital App for the second year during April & May 2019. This led to an Order Book of Rs.510/- Crores and we expect conversion of 75 to 80% of the Order Book into Turnover of the Company. In addition there will be regular orders which would be received from Customers who have not participated in the pre-season booking process. During the current year 1431 Dealers/Distributors participated in the booking bazaar and flash sale. As we prepare for the future, we will remain at the cutting edge of crop nutrition, soon introducing nano-technology for crop nutrition, artificial intelligence based information delivery systems for our farmers and creating a much larger global distribution footprint.

The Company is introducing New Specialty Products in the agri-nutrients sector and these will be launched in phases during 2019-20 which will support growth in the top line and bottom line.

The Company will focus namely on

- Increase penetration in Aquaculture especially in states like Andhra Pradesh, Telangana, West Bengal and Chhattisgarh
- Increase exports in Asian region and beyond.
- Customized crop specific formulations of nutrients

The above plans combined with good monsoon, the revenue growth in the current Financial Year is expected to be satisfactory.

CREDIT RATING

The Company's Credit during the year under review continued to be as under:

Facilities	Rating
Long Term Bank Facilities (Fund Based)	CARE BBB+; Stable (Triple B Plus; Outlook: Stable)
Short Term Bank Facilities(Non Fund Based)	CARE A3+(A Three Plus)

The Rating agency M/S **CARE Ratings** have on 10th June, 2019 re-assigned the Credit Rating as under:

Facilities	Rating
Long Term Bank Facilities (Fund Based)	CARE BBB-; Stable (Triple B Minus; Outlook: Stable)
Short Term Bank Facilities (Non Fund Based)	CARE A3(A Three)

The rating revision reflect weaker than envisaged financial performance for Financial Year 2018-19 and stretched liquidity due to suspended operations of the UAE Subsidiaries.

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

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

SAFETY AND HEALTH

The health and safety of the employees across its operations remains the highest priority for the Group. All endeavours are being made to enhance safety standards and processes towards minimising safety risks in all operations in the Company. There was no accident or mishap in any of its four factories.

USE OF IPO PROCEEDS

The Members in the 39th Annual General Meeting held on 29th September, 2009 approved variation by passing a Special Resolution wherein the funds set out for deployment for the Additional unit in Maharashtra was approved for utilization for meeting Working Capital requirement of the Company.

In the course of working towards the objective set out by the Company, the Management was seriously exploring the Renovation of existing Office Building and Addition to the Office Building and in the course have paid advance for obtaining various rights/ mobilization of the said extension. However due to high escalation in material and other related costs coupled with rearrangement of existing Office space, the Management is of the opinion that it is not prudent to invest in the said Renovation/Expansion and has therefore decided to call back the money so paid which on receipt would be used for Working Capital Requirement of the Company. The Company expects to receive the monies so paid by March, 2020.

Section 27 of the Companies Act, 2013, requires Shareholder's consent or authority by way of Special Resolution varying the terms and conditions specified in the Prospectus issued by the Company.

The Company is seeking approval of the Members for deviation in the utilization of the IPO funds and the same is included in the Notice and Agenda for the ensuing Annual General Meeting.

PUBLIC DEPOSITS

The Company has not accepted any deposits from the Public within the meaning of Section 73 of the Companies Act, 2013 and Members (other than Directors) during the year under review and as such, no amount on account of Principal or Interest on Deposits from Public and Members (other than Directors) was outstanding as on 31st March, 2019.

SUBSIDIARIES & ASSOCIATE COMPANIES

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

The operations of Aries Agro Care Pvt. Ltd. commenced in the Financial Year 2008-09 but discontinued the activity in the financial year 2012-13 due to extremely volatile nature of seeds business and had no business activity in the financial year 2018-19. The Company incurred expenses to the tune of Rs. 2.42 Lakhs for the Financial Year.

The business operations of Aries Agro Equipments Pvt. Ltd. commenced in the year 2009-10 in agricultural sprayers but discontinued the activity in the financial year 2013-14 due to lack of appropriate distribution network for Farm Equipments and had no business activity in the financial year 2018-19. The Company incurred expenses to the tune of Rs. 0.54 Lakhs for the Financial Year.

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

As regards the overseas subsidiary M/S. Golden Harvest Middle East FZC a Trading Entity, in their Tenth Year of operation, has not generated any sale and has incurred Loss of AED 27.80 Lakhs (INR 508.41 Lakhs) for the year 2018-19, since trading revenue did not materialize for licencing reasons.

M/s. Amarak Chemicals FZC, which is a Step Down Subsidiary of Aries Agro Limited with an installed capacity of 60,000 MT p.a., in their Sixth Full Year of operation, has not generated any sale and has incurred Loss of AED 11.40 Lakhs (INR 208.49 Lakhs) for the year 2018-19, since the manufacturing has been temporarily suspended until Power and Molten Sulphur availability is confirmed.

As required under S. 129(3) of The Companies Act, 2013, annexed hereto are the Audited Financial Statements for the Year ended 31st March, 2019 of Golden Harvest Middle East FZC., Amarak Chemicals FZC., Aries Agro Care Private Limited and Aries Agro Equipments Private Limited.

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

Apart from the above statement a list of Subsidiary & Group Companies is given in Note No. 37 of the Notes to Accounts, and is forming part of the Annual Report.

All the above Indian Subsidiary and Group Companies are un-listed and non-material Companies as defined under Listing Regulations. There is no Associate or Joint Venture Companies other than as listed above.

INSURANCE

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

DIRECTORS & KEY MANAGERIAL PERSONNEL

DIRECTORS

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

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

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

which may affect their status as an Independent Director during the year.

The tenure of Prof. R. S. S. Mani (DIN 00527270) and Mr. Bhumitra Vinodchandra Dholakia (DIN 01871816) as Independent Directors is due to expire on 25th September, 2019.

Section 149(10) of the Act provides that an Independent Director shall hold office for a term of five consecutive years on the Board and shall be eligible for re-appointment on passing a Special Resolution by the Company and disclosure of such appointment shall be made in its Board's Report. Section 149(11) provides that an Independent Director may hold office for up to two consecutive terms.

Both, Prof. R. S. S. Mani (DIN 00527270) and Mr. Bhumitra Vinodchandra Dholakia (DIN 01871816) are maintaining a good physical health and have attended all the Meetings of the Board and Committees and contributed in the proceedings. They both attended the previous Annual General Meeting.

Pursuant to the recommendation of the Nomination and Remuneration, the Board re-appointed Prof. R. S. S. Mani (DIN 00527270) and Mr. Bhumitra Vinodchandra Dholakia (DIN 01871816) at its Meeting held on 8th August, 2019 subject to the approval of the Shareholders as Independent Directors of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years commencing from 26th September, 2019 upto 25th September, 2024 on the Board of the Company.

The Company has received a Notice in writing from a Member under Section 160(1) of the Companies Act, 2013 proposing their candidature for the office of Independent Directors.

Accordingly, re-appointment of Prof. R. S. S. Mani and Mr. Bhumitra Vinodchandra Dholakia as Independent Directors forms part of the Agenda and the proposed Resolution is set out at item No. 4 & 5 of the Notice.

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

Familiarisation Programme for Independent Directors---- Though there is no formal Policy for familiarization but the Company in order to familiarize the Independent Directors with the business of the Company presentation was made by the Functional Heads covering Operations of the Company at every Quarterly board meeting and nature and scope of business, nature of industry in which Company operates, profitability and future plans. Regularly at meetings updates are given to the Board. House Journal as and when published is also sent to all the Directors and their feedback are considered. Action Taken Report and Legal Updates are also being placed at every meeting of the Board and Audit Committee just to keep the Directors updated with the latest amendments and Action Taken by the Management.

KEY MANAGERIAL PERSONNEL

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

MEETINGS OF BOARD

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

AUDIT COMMITTEE

There was no change in the Audit Committee during the year under review. However, the Audit Committee was re-constituted with effect from 16th May, 2019 by inducting Mr. C. B. Chhaya in the Committee.

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

CSR COMMITTEE

The CSR Committee was re-constituted with effect from 13th February, 2019 by inducting Mrs. Nitya Mirchandani in place of Dr. Jimmy Mirchandani. The Committee comprises of Dr. Rahul Mirchandani(Chairman), Shri. B. V. Dholakia and Mrs. Nitya Mirchandani. For further details, please refer Report on Corporate Governance of this Annual Report.

STAKE HOLDERS RELATIONSHIP COMMITTEE

The Stake Holders Relationship Committee was re-constituted with effect from 13th February, 2019 by inducting Mrs. Nitya Mirchandani in place of Dr. Jimmy Mirchandani. The Committee comprises of Mr. C. B. Chhaya(Chairman), Dr. Rahul Mirchandani and Mrs. Nitya Mirchandani. For further details, please refer Report on Corporate Governance of this Annual Report.

BOARD EVALUATION

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

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

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

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

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

DIRECTORS' RESPONSIBILITY STATEMENTS

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

1. in preparation of the Annual Accounts, applicable Accounting Standards have been followed and that there are no material departures;
2. they have selected such Accounting Policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the State of the Affairs of the Company at the end of the financial year and of the profit of the Company for that year;
3. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. they have prepared the Annual Accounts on a 'going concern'

basis;

5. they have laid down Internal Financial Controls to be followed by the Company and such Internal Financial Controls are adequate and operating effectively;
6. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

PARTICULARS OF EMPLOYEES & RELATED DISCLOSURES

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

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

Non-Executive Directors	Ratio to median Remunerations	Directors Remuneration / Sitting Fees Rs. Lakhs
Dr. Jimmy Mirchandani	0.21	0.68
Mrs. Nitya Mirchandani	1.06	3.40
Prof R. S. S. Mani	0.89	2.85
Mr. Chakradhar Bharat Chhaya	0.94	3.03
Mr. Bhumitra Vinodchandra Dholakia	0.93	3.00
Executive Directors		
Dr. Rahul Mirchandani	54.85	176.58

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

Directors, Chief Financial Officer, Company Secretary	% Increase in Remuneration in the Financial Year
Dr. Rahul Mirchandani, CMD	0.50
Mr. S. Ramamurthy, President & Chief Financial Officer	18.21
Mr. Qaiser P. Ansari, Company Secretary & Sr. VP (Legal)	9.04

3. **The percentage increase in the median remuneration of employees in the financial year; 18.89 %**
4. **The number of permanent employees on the rolls of Company; 924**
5. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;**

The average annual increase was around 6.67% after accounting for promotions and other event based compensation revision.

6. **Affirmation that the remuneration is as per the**

Remuneration Policy of the Company.

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

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

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

TOP 10 EMPLOYEES IN TERMS OF REMUNERATION DRAWN DURING THE YEAR 2018-19

Sr. No.	NAME	DESIGNATION	REMUNERATION RECEIVED	NATURE OF EMPLOYMENT	OTHER TERMS & CONDITIONS	NATURE OF DUTY	QUALIFICATION & EXPERIENCE	DATE OF COMMENCEMENT	AGE	Last Employment held	% of Equity Shares held as on 31.03.2019	Whether relative of any Director or Manager and the name of such Director or Manager
1	DR. RAHUL MIRCHANDANI	CHAIRMAN & MANAGING DIRECTOR	17,658,000	CONTRACTUAL	N.A.	MANAGING THE AFFAIRS OF THE COMPANY	B. Com; CFA; MBA; Ph.D	02.02.1994	44	N.A.	21.56	Brother of Dr. Jimmy Mirchandani & Husband of Mrs. Nitya Mirchandani
2	MR. P.K. JAISWAL	SR. VICE PRESIDENT MARKETING	5,899,590	FULL TIME EMPLOYEE	N.A.	MANAGING THE MARKETING ACTIVITIES FOR W.R., N.R. & C.R.	B.Sc.	26.01.1982	61	N.A.	0.01	N.A.
3	MR. S. RAMAMURTHY	PRESIDENT & CHIEF FINANCIAL OFFICER	5,550,220	FULL TIME EMPLOYEE	N.A.	FINANCIAL MANAGEMENT OF THE COMPANY	B. Com. C.A.	16.10.1995	66	M/s Micro Plantae Ltd., Desgn - VP (Finance & Accounts)	0.00	N.A.
4	MR. KAISER PARVEZ ANSARI	COMPANY SECRETARY & SENIOR VICE PRESIDENT (LEGAL)	2,944,813	FULL TIME EMPLOYEE	N.A.	COMPANY SECRETARY	B. Com. LLB ACS	02.06.2008	56	M/s Sabero Organics Gujarat Ltd., Desgn - CS & Dy.Gen. Manager (Legal & Taxation)	0.00	N.A.
5	MR. N.E.MOORTHY	SR. VICE PRESIDENT (TREASURY)	2,698,852	FULL TIME EMPLOYEE	N.A.	FINANCE	B. Com. (CA Ent.)	22.09.1983	59	M/s Kolatkar & Dandekar CA, Desgn - Articleship Trainee	0.002	N.A.
6	MR. JAYAPRADEEP SUBRAMANIAN	ASST. VICE PRESIDENT (MARKETING) SOUTHERN REGION	2,694,203	FULL TIME EMPLOYEE	N.A.	MARKETING & EXTENSION ACTIVITIES FOR SOUTHERN REGION	M.Sc. MBA	15.11.2013	36	M/s Tata Consultancy Services, Desgn - IT Analyst	0.00	N.A.
7	MR. B.R.PANDEY	SR. VICE PRESIDENT (HR& PERSONNEL)	2,568,707	FULL TIME EMPLOYEE	N.A.	HR & ADMIN	B.Sc. DPMIR	18.01.1982	57	M/s R. B. Vaidya & Co. Desgn - Gen. Assistant	0.01	N.A.
8	MR. ARUN K. TIWARI	REGIONAL CONTROLLER	2,378,388	FULL TIME EMPLOYEE	N.A.	MANAGING THE MARKETING ACTIVITIES OF NORTH-EASTERN REGION	B. Sc	01.12.1992	51	N.A.	0.01	N.A.
9	MR. SANTOSH KUMAR PANDEY	JUNIOR REGIONAL CONTROLLER	2,279,570	FULL TIME EMPLOYEE	N.A.	MANAGING THE MARKETING ACTIVITIES OF MAHARASHTRA, NIPANI DIVISION	M. Sc (Ag)	26.05.2004	45	N.A.	0.00	N.A.
10	MR. BIPLOB CHATTERJEE	SR. VICE PRESIDENT (PRODUCTION)	2,265,148	FULL TIME EMPLOYEE	N.A.	OVERALL PRODUCTION	B.Sc.	08.12.2009	50	M/s Jaysynth Dye Chem, Desgn - Production Officer	0.00	N.A.

PARTICULARS OF EMPLOYEES IN TERMS OF SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) AND 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 DRAWING REMUNERATION NOT LESS THAN Rs. 1.02 Crores p.a./Rs. Eight Lakhs Fifty Thousand p.m. DURING THE YEAR 2018-19

Sr. No.	NAME	DESIGNATION	REMUNERATION RECEIVED	NATURE OF EMPLOYMENT	OTHER TERMS & CONDITIONS	NATURE OF DUTY	QUALIFICATION & EXPERIENCE	DATE OF COMMENCEMENT	AGE	Last Employment held	% of Equity Shares held as on 31.03.2019	Whether relative of any Director or Manager and the name of such Director or Manager
1	DR. RAHUL MIRCHANDANI	CHAIRMAN & MANAGING DIRECTOR	17,658,000	CONTRACTUAL	N.A.	MANAGING THE AFFAIRS OF THE COMPANY	B. Com; CFA; MBA; Ph.D	02.02.1994	44	N.A.	21.56	Brother of Dr. Jimmy Mirchandani & Husband of Mrs. Nitya Mirchandani

ESOPS

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

RISK MANAGEMENT AND INTERNAL FINANCIAL CONTROLS

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

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

Based on the framework of Internal Financial Controls and Compliance System established and maintained by the Company, work performed by the Internal, Statutory and Secretarial Auditors and review performed by the Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's Internal Financial Controls were adequate and effective during the Financial Year 2018-19.

GREEN INITIATIVES

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

HUMAN RESOURCES

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

LISTING

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

The Company has made all the compliances of Listing Regulations including payment of Annual Listing Fees upto 31st March, 2020 to both the Stock Exchanges.

CORPORATE GOVERNANCE

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

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

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

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

I. Conservation of energy

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

- a. Energy Conservation measures taken:-
 - i. Close monitoring of consumption of electricity, LPG, Diesel and water.
 - ii. Creating awareness among Workmen to conserve energy.
 - iii. Aries continues power generation through its Solar Power Generation System at its manufacturing unit in Hyderabad.
 - iv. Conversion of boilers in Hyderabad Unit from diesel to solid briquette based fuel.
 - v. Exclusive use of CNG for manufacturing at Chhatral Unit
 - vi. Optimum use of Energy by Switching off Machines, Lights, Fans, Air Conditioners and Exhaust Systems whenever not required

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

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

Form –A

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

Sr. No.	Particulars	Current Year	Previous Year
		2018-2019	2017-18
(a)	Purchased:-		
	I. Electricity		
	(i) Unit (KWH)	988,848	993,775
	(ii) Total Amount (Rs)	9,236,994	9,483,040
	(iii) Rate/Unit (Rs.)	9.34	9.54
	II Piped Gas		
	(i) Unit(M3)	334,148	358,193
	(ii) Total Amount (Rs)	14,844,779	13,402,009
	(iii) Rate/Unit (Rs.)	44.43	37.42
(b)	Own Generation		
	(i) Coal	Not Applicable	Not Applicable
	(ii) Furnace Oil - KI	1,274	2,329
	(iii) Internal Generation Units(Generator)	173	262
	(iv) Solar System Units	55,685	66,532

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

(A) RESEARCH AND DEVELOPMENT:

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

- There is a continuous focus on University research on specialty plant nutrition which continues across India.
- Our team of extension officers conducts continuous field demonstrations and extension work including large scale soil sampling, which provides constant updates on deficiency levels across all states in India.
- The Company's R&D at Mumbai is NS-EN ISO 9001:2015 certified and works on new product development and continuous quality checks. The manufacturing unit at Hyderabad has been equipped with a state of art laboratory to keep pace with the Company's expansion in that region. • Hydroponic/ Soilless Cultivation has been taken up on the rooftop as a new age method of cultivation in urban set ups
- Looking out for green options in the field of Aquaculture
- Develop new markets in the Protected Cultivation sector

2. Objectives

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

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

- Improvement in productivity/quality and reduction in cost of production of Company's Plants and at Customer's end.
- Cost reduction, import substitution, safer environment and strategic resource management.
- Meeting the statutory requirements.
- Demonstration of a Sustainable urban farm set up to address the issue of pesticide free healthy food

4. Future Plan of Action :

- Identifying customized formulations for new states where Aries is entering to sell their product range.
- Identify products from the existing Aries crop nutrition range which can be adopted in aquaculture.
- Conducting scientific research and studies, pilot scale development, trial and testing for development of new products, new process development, improvement in the existing production process etc
- Customized micronutrient fertilizers for export
- Granulation of MM mixtures for soil application.
- Modification of manufacturing process to make it pollution free
- Develop markets for crop specific formulations of micronutrient fertilizer in crops like Soybean, Sugarcane, Grapes and other Horticultural crops.

- To launch existing micronutrient formulations in new forms (tablets, briquettes, water soluble pouches, etc.)
- Setting up of Boric acid plant
- Efforts to develop India GAP on commercial crops and try establishing a linkage between farmers and the industry
- Initial work on nano fertilizers

5. Expenditure on R & D

Sr. No.	Description	For the Year ended 31 st March 2019 (Amt. in Rs.)	For the Year ended 31 st March 2018 (Amt. in Rs.)
I)	Capital	2,04,500	3,620,027
II)	Recurring	1,53,10,055	4,633,750
	Total	1,55,14,555	8,253,777
	Total R&D expenditure as a % of		
a)	Gross Turnover	0.48	0.26
b)	Net Turnover	0.58	0.31

B1. Technology Absorption, Adaptation and Innovation

The Management has focused on productivity and Total Quality Management [TQM] in order to optimize manufacturing costs. The Company continues to be NS-EN ISO 9001:2015 certified.

B2. Benefits

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

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

C. Foreign Exchange Earnings and Outgo

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

International clients are located in Nepal and Taiwan. Sales were booked for Nepal and Taiwan. Distributors in Nepal have put up their own manufacturing unit to support and increase sales and distribution network throughout Nepal. The total exports and global sales constituted 0.03 % of our group revenue during the Financial Year 2018-19.

2. Total Foreign Exchange used and earned:

Used : Rs. 27,18,82,752/-

Earned: Rs. 4,29,03,805/-

SPECIAL BUSINESS

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

VIGIL MECHANISM

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

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

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

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

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

CORPORATE SOCIAL RESPONSIBILITY

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

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

EXTRACTS OF ANNUAL RETURN

As provided under Section 92(3) of the Companies Act, 2013 the Extract of the Annual Return is given in **Annexure-III** in prescribed Format MGT-9, which forms part of this Report. The said Extract of the Annual Report is available at the web site of the Company at www.ariesagro.com.

AUDITORS & AUDITORS REPORTS

Statutory Auditors

M/s. Sandeep Sheth & Associates, Chartered Accountants, Mumbai, (Membership No. 101903 and having Peer Review Certificate issued by the Institute of Chartered Accountants of India), were appointed as the Statutory Auditors of the Company for a period of 5(five) years at the Forty Seventh Annual General Meeting of the Company held on 28th September, 2017 and being eligible continue to be the Statutory Auditors.

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

Cost Auditors

The Company has appointed M/s. R. Nanabhoy & Co., Cost Accountants, to conduct the Audit of Cost Accounting Records of its products for the financial year 2017-2018.

The due date for filing the Cost Audit Reports in XBRL mode for the financial year ended March 31, 2018 was 20th October, 2018. The Cost Audit Reports were filed by the Cost Auditor on 18th October, 2018 within the due date.

Further M/s. R. Nanabhoy & Co., Cost Auditors were re-appointed as the Cost Auditor of the Company for the year ending 31st March, 2019 by the Board of Directors at their meeting held on 23rd May, 2018 after ensuring their eligibility and obtaining the letter of eligibility from them.

The Company's Cost Audit for the Financial Year 2018-19 is under process and the Company will have the Audit completed within 180 days of the end of the Financial Year-2018-19 i.e. on or before 27th September, 2019 and file the Report within 30 days of the Board Meeting approving the Report.

Secretarial Auditors

The Board appointed Mr. A. Sekar, Practising Company Secretary, to conduct Secretarial Audit for the financial year 2018-19. The Secretarial Audit Report for the financial year ended March 31, 2019 is annexed herewith and marked as **Annexure-IV** to this Report.

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

SECRETARIAL STANDARDS

The Company has in place proper systems to ensure compliance with the provisions of the applicable Secretarial Standards issued by The Institute of Company Secretaries of India and such systems are adequate and operating effectively.

ANNUAL SECRETARIAL COMPLIANCE REPORT

Pursuant to Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the Company obtained the Annual Secretarial Compliance Report for the Financial Year 2018-19 from Mr. A. Sekar, Practising Company Secretary, the Secretarial Auditor of the Company and the same has been filed with the BSE Limited and the National Stock Exchange of India Limited on 29th May, 2019. The Secretarial Auditor has not reported any non-compliance.

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

The Company has zero tolerance towards sexual harassment at the workplace. The Company has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at Workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder.

The Company has complied with the provisions relating to the constitution of the Internal Complaints Committee as per the Sexual Harassment of Women at Workplace Prevention, Prohibition and Redressal) Act, 2013.

There was no complaint received during the year under review.

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

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

MATERIAL ORDERS PASSED

No material Orders have been passed by any Authority in respect of any matters with regard to the business of the Company during the Financial Year.

Referring to the Previous Year's Board's Report, classification of Micronutrients relating to the Sanand Unit in the state of Gujarat is pending before Customs, Excise and Service Tax Appellate Tribunal(CESTAT) at Ahmedabad and Order is awaited.

GENERAL DISCLOSURES

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

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of Equity Shares with differential rights as to dividend, voting or otherwise.
3. Issue of Shares (including Sweat Equity Shares) to employees of the Company under any scheme.
4. Buy Back of shares of the Company during the year under review.
5. The Managing Director of the Company does not receive any remuneration or commission from any of its Subsidiaries.
6. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
7. The Company is not required to submit Business Responsibility Report in pursuance of Regulation 34(2)(f) SEBI(LODR) Regulations, 2015.

STATUTORY DISCLOSURES

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

ACKNOWLEDGEMENT

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

For and on behalf of the Board,

Place: Mumbai
Date: 8th August, 2019

Dr. Rahul Mirchandani
Chairman & Managing Director
DIN-00239057

Form No. AOC-2

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

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

1. **Details of Contracts or Arrangements or Transactions not at arm's length basis:** Aries Agro Limited has not entered into any Contract or Arrangement with its Related Parties which is not at arm's length during the Financial Year 2018-19.
2. **Details of Contracts or Arrangements or Transactions at arm's length basis:**

Sr. No.				
1.	Name(s) of the Related Party and nature of Relationship	Golden Harvest Middle East FZC-75% Subsidiary	Amarak Chemicals FZC-Step Down Subsidiary	Dr. Jimmy Mirchandani
2.	Nature of Contracts/ Arrangements/ Transactions	Order based Contracts	Order based Contracts	Appointment as a Consultant
3.	Duration of Contracts/ Arrangements/ Transactions	Order based Contracts	Order based Contracts	5 Years from 4th April, 2017 to 3rd April, 2022.
4.	Salient terms of Contracts/ Arrangements/ Transactions including Value, if any	As per the Orders from time to time	As per the Orders from time to time	As a Consultant upto 3rd April, 2022 at a Fee of Rs. 4,00,000/- p.m. and Annual Performance Bonus, the aggregate of total remuneration payable to Dr. Jimmy Mirchandani in any financial year not to exceed Rs. 85,00,000/- (Rupees Eighty Five Lacs only) per annum and on such other terms and conditions as stated in the Consultancy Agreement dated 30th May, 2017
5.	Date of Approval by the Board , if any	Not Applicable, since the Contract was entered into in the ordinary course of business and on arm's length basis	Not Applicable, since the Contract was entered into in the ordinary course of business and on arm's length basis	3rd April, 2017.
6.	Amount Paid as advances, if any	Rs. NIL	Rs. NIL	Rs. NIL

For and on behalf of the Board,

Place: Mumbai
Date: 8th August, 2019

Dr. Rahul Mirchandani
Chairman & Managing Director
DIN-00239057

ANNUAL REPORT ON CSR ACTIVITIES

Particulars	Details																							
1. A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs.	Our policy on Corporate Social Responsibility of Company is broadly framed taking into account the following measures: - a) Welfare measures for the community at large, so as to ensure the disadvantaged sections of the Society derived the maximum benefits. b) Contribution to the society at large by way of social and cultural development, imparting education, training and social awareness especially with regard to the farming sector for their development and generation of income. c) Protection and safeguarding of the environment and maintaining ecological balance through a range of ecologically sustainable and cost effective products. Chairman & Managing Director/Executive Director of the Company shall exercise their delegated powers for according approval for the project within the ceiling limit of said 100% budget. CSR should be broadly executed by Company in the areas in which its operating units are located. CSR committee will frame the CSR Policy and modify from time to time and the Board to implement and monitor CSR activities. The CSR Policy is hosted at www.ariesagro.com in the Investor Relations Section.																							
2. The Composition of the CSR Committee. ---	Dr. Rahul Mirchandani, Chairman Shri Bhumitra V. Dholakia Mrs. Nitya Mirchandani-wef-13.02.2019																							
3. Average Net Profit of the Company for last three Financial Years	<table><tr><td>Financial Year</td><td colspan="2">Net Profit as per Section 198 of the Companies Act, 2013 (in Rs.)</td></tr><tr><td>2015-2016</td><td colspan="2">10,76,50,913</td></tr><tr><td>2016-2017</td><td colspan="2">18,36,10,773</td></tr><tr><td>2017-2018</td><td colspan="2">21,77,58,399</td></tr><tr><td>Total Profit</td><td colspan="2">50,90,20,086</td></tr><tr><td>Average Net Profit</td><td colspan="2">16,96,73,362</td></tr><tr><td>2% of Average Net Profit—amount to be spent during financial year 2018-2019</td><td colspan="2">33,93,467</td></tr></table>			Financial Year	Net Profit as per Section 198 of the Companies Act, 2013 (in Rs.)		2015-2016	10,76,50,913		2016-2017	18,36,10,773		2017-2018	21,77,58,399		Total Profit	50,90,20,086		Average Net Profit	16,96,73,362		2% of Average Net Profit—amount to be spent during financial year 2018-2019	33,93,467	
Financial Year	Net Profit as per Section 198 of the Companies Act, 2013 (in Rs.)																							
2015-2016	10,76,50,913																							
2016-2017	18,36,10,773																							
2017-2018	21,77,58,399																							
Total Profit	50,90,20,086																							
Average Net Profit	16,96,73,362																							
2% of Average Net Profit—amount to be spent during financial year 2018-2019	33,93,467																							
4. Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above)	Rs. 33,93,467/-																							
5. Details of CSR spent during the Financial Year.																								
(a) Total amount to be spent for the Financial Year;	Rs. 33,93,467/-																							
(b) Amount unspent , if any;	NIL																							
(c) Manner in which the amount spent during the Financial Year.	<table><tr><th>Head of Expense</th><th>Amount</th><th>Item No. in Schedule VII of the Companies Act, 2013</th></tr><tr><td>Education including Farmers</td><td>18,28,531</td><td>(ii)</td></tr><tr><td>Farmers Call Centre</td><td>5,20,898</td><td>(x)</td></tr><tr><td>Infrastructure Support</td><td>6,24,198</td><td>(x)</td></tr><tr><td>Health Care</td><td>4,30,896</td><td>(i)</td></tr><tr><td>TOTAL</td><td>34,04,523</td><td></td></tr></table>			Head of Expense	Amount	Item No. in Schedule VII of the Companies Act, 2013	Education including Farmers	18,28,531	(ii)	Farmers Call Centre	5,20,898	(x)	Infrastructure Support	6,24,198	(x)	Health Care	4,30,896	(i)	TOTAL	34,04,523				
Head of Expense	Amount	Item No. in Schedule VII of the Companies Act, 2013																						
Education including Farmers	18,28,531	(ii)																						
Farmers Call Centre	5,20,898	(x)																						
Infrastructure Support	6,24,198	(x)																						
Health Care	4,30,896	(i)																						
TOTAL	34,04,523																							

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

For and on behalf of the Board,

Dr. Rahul Mirchandani
Chairman & Managing Director
DIN-00239057

Mrs. Nitya Mirchandani
Director
DIN-06882384

B. V. Dholakia
Director
DIN-01871816

Place: Mumbai
Date: 8th August, 2019

FORM NO. MGT – 9
EXTRACT OF ANNUAL RETURN
As on the financial year ended 31.03.2019

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

I. REGISTRATION AND OTHER DETAILS

CIN	L99999MH1969PLC014465
Registration Date	27 th November, 1969
Name of the Company	ARIES AGRO LIMITED
Category / Sub-Category of the Company	COMPANY LIMITED BY SHARES /INDIAN NON-GOVERNMENT COMPANY
Address of the Registered Office and contact details	Aries House, Plot No. 24, Deonar, Govandi(E), Mumbai-400 043 Phone No. 022 2522 9000/2556 4052/53 Fax No. 022 2556 4054/2557 1711
Whether listed Company	YES
Name, address and contact details of Registrar and Transfer Agent, if any	AARTHI CONSULTANTS PRIVATE LIMITED 1-2-285, Domalguda, Hyderabad – 500 029, Telangana, India Tel : +91-40-27634445 / 27642217, Fax: +91-40-27632184 E-mail: aries@aarthiconsultants.com Website: www.aarthiconsultants.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No	Name and Description of main products / Services	NIC Code of the Product/ Service	% to total turnover of the Company
1.	Micro Nutrient Fertilizer-Manufactured	20129	66.23
2.	Micro Nutrient Fertilizer-Traded	20129	23.94

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

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

4.	Aries Agro Equipments Private Limited	Aries House, Plot No. 24, Deonar, Govandi(E), Mumbai-400 043	U01403MH2007PTC166972	Subsidiary	100	2(87)(ii)
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IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category wise shareholding

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2018				No. of Shares held at the end of the year 31.03.2019				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.PROMOTERS									
(1) Indian									
a) Individual/HUF	6847926	0	6847926	52.66	6847926	0	6847926	0	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt (s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other....	0	0	0	0	0	0	0	0	0
Sub-total (A) (1):-	6847926	0	6847926	52.66	6847926	0	6847926	52.66	0
(2) Foreign	-	-	-	-	-	-	-	-	-
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other – Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other....	0	0	0	0	0	0	0	0	0
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A)(1)+(A) (2)	6847926	0	6847926	52.66	6847926	0	6847926	52.66	0
B. PUBLIC SHAREHOLDING									-
1. Institutions									-
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	19306	0	19306	0.15	19740	0	19740	0.15	2.25
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	19306	0	19306	0.15	19740	0	19740	0.15	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	513619	0	513619	3.95	625334	0	625334	4.81	21.75

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2018				No. of Shares held at the end of the year 31.03.2019				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual Shareholders holding nominal share capital upto ₹ 1 lakh	3309735	128581	3438316	26.44	4005204	118506	4123710	31.71	19.93
ii) Individual Shareholders holding nominal share capital in excess of ₹1 lakh	1710716	0	1710716	13.15	834841	0	834841	6.42	-51.20
c) Others Directors and Relatives	0	0	0	0	0	0	0	0	0
i) Shares held by Pakistani citizens vested with the Custodian of Enemy Property	0	0	0	0	0	0	0	0	0
ii) Other Foreign Nationals	0	0	0	0	0	0	0	0	0
iii) Foreign Bodies	0	0	0	0	0	0	0	0	0
iv) NRI / OCBs	188589	0	188589	1.45	259294	0	259294	1.99	37.49
v) Clearing Members / Clearing House	122989	0	122989	0.95	132442	0	132442	1.02	7.68
vi) Trusts	0	0	0	0	0	0	0	0	0
vii) Limited Liability Partnership	0	0	0	0	0	0	0	0	0
viii) Foreign Portfolio Investor (Corporate)	0	0	0	0	0	0	0	0	0
ix) Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
x) NBFCs Regd with RBI	6800	0	6800	0.05	1800	0	1800	0.01	-73.53
xi) IEPF	140453	15625	156078	1.20	159252	0	159252	1.22	2.03
Sub-Total (B)(2):	5992901	144206	6137107	47.19	6018167	118506	6136673	47.18	
Total Public Shareholding (B)=(B)(1)+(B)(2)	6012207	144206	6156413	47.34	6037907	118506	6156413	47.34	
C. SHARES HELD BY CUSTODIAN FOR GDRS & ADRS	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	12860133	144206	13004339	100.00	12885833	118506	13004339	100.00	-

(ii) Shareholding of Promoters

Shareholder's Name	No. of Shares held at the beginning of the year 01.04.2018			No. of Shares held at the end of the year 31.03.2019			% Change during the year
	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
Jimmy Mirchandani	3434830	26.41	0	3344830	25.72	0	-2.62

Rahul Mirchandani	2713221	20.86	0	2803221	21.56	0	3.32
Akshay Mirchandani	361875	2.78	0	361875	2.78	0	0
Amol Mirchandani	335000	2.58	0	335000	2.58	0	0
Nitya Mirchandani	3000	0.02	0	3000	0.02	0	0
Total	6847926	52.66	0	6847926	52.66	0	0

(iii) Change in Promoters' Shareholding

Shareholder's Name	No. of Shares held at the beginning of the year 01.04.2018		Increase/Decrease during the year	No. of Shares held at the end of the year 31.03.2019	
	No. of Shares	% of total Shares of the company		No. of Shares	% of total Shares of the company
Jimmy Mirchandani	3434830	26.41	-90,000*	3344830	25.72
Rahul Mirchandani	2713221	20.86	+90,000*	2803221	21.56

**Dr Rahul Mirchandani purchased 90,000 Shares from Dr. Jimmy Mirchandani on 10.09.2018 through Market in Block Deal. Apart from that there was no change in the Promoter's Shareholding between 01.04.2018 to 31.03.2019.*

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

Sr. No	Shareholder's Name *	Shareholding at the beginning of the year 01.04.2018		Shareholder's Name	Shareholding at the end of the year 31.03.2019	
		No. of shares	% of total shares of the company		No. of shares	% of total shares of the company
1	VIJAY KISHANLAL KEDIA	410921	3.16	IEPF-MCA	159252	1.99
2	S. SHYAM	340818	2.62	RAMESH V. SOMANI	89659	0.69
3	VIJAY KISHANLAL KEDIA	300062	2.31	NAVKAR FINLEASE PVT LTD	70136	0.54
4	VIJAYA S	200000	1.54	KOUSHIK SEKHAR	56400	0.43
5	IEPF-MCA	156078	1.20	JEEVAN KISHORE BODEPUDI	50005	0.38
6	KOUSHIK SEKAHR	71400	0.55	HASMUKH PAREKH	50000	0.38
7	NAVKAR FINLEASE PVT LTD	70136	0.54	SRIKANTH DHULIPALA	48000	0.37
8	B. LAVANYA	50000	0.38	EDELWEISS CUSTODIAL SERVICES LTD	46949	0.36
9	KLR VANIJYA PVT LTD	45995	0.38	KLR VANIJYA PVT LTD	41983	0.32
10	STOCK HOLDING CORPORATION OF INDIA LTD	34999	0.27	ANGEL BROKING LTD	41145	0.32
11	EDELWEISS CUSTODIAL SERVICES LTD	32487	0.25	KARTAR TAHILRAM BASANTANI	39977	0.31

** The Shares of the Company are traded on a daily basis and hence the date wise increase/decrease in Share Holding is not indicated. Shareholding is consolidated based on Permanent Account Number(PAN) of the Shareholders.*

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No	Shareholder's Name	Shareholding at the beginning of the year 01.04.2018		Cumulative Shareholding during the year		Date of change in shareholding	Reason for change
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company		
	Directors						
1	Dr. Jimmy Mirchandani	3434830	26.41	3344830	25.72	10.09.2018	Refer Note below
2	Dr. Rahul Mirchandani	2713221	20.86	2803221	21.56	10.09.2018	Refer Note below
3	Mrs. Nitya Mirchandani	3000	0.02	3000	0.02	NIL	N.A.
4	Prof. R. S. S. Mani	0	0	0	0	NIL	N.A.
5	Mr. C. B. Chhaya	0	0	0	0	NIL	N.A.

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

***Dr Rahul Mirchandani purchased 90,000 Shares from Dr. Jimmy Mirchandani on 10.09.2018 through Market in Block Deal. Apart from that there was no change in the Promoter's Shareholding between 01.04.2018 to 31.03.2019.**

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

V. INDEBTEDNESS

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

(Rupees in Lakhs)			
Particulars	Secured Loans	Unsecured Loans	Total Indebtedness
Indebtedness at the beginning of the Financial Year			
1. Principal Amount	13,582.61	1,325.42	14,908.03
2. Interest Due but not Paid	-	-	-
3. Interest accrued but not due	4.74	8.53	13.27
Total(1+2+3)	13,587.35	1,333.95	14,921.30
Change in Indebtedness during the Financial Year			
1. Addition	-	1,349.10	1,349.10
2. Reduction	128.18	-	128.18
Net Change (1-2)	128.18	1,349.10	1,220.92
Indebtedness at the end of the Financial Year			
1. Principal Amount	13,455.54	2,674.99	16,130.53
2. Interest Due but not Paid	-	-	-
3. Interest accrued but not due	3.63	8.06	11.69
Total(1+2+3)	13,459.17	2,683.05	16,142.22

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr No.	Particulars of Remuneration	Dr. Rahul Mirchandani, CMD (` In Lakhs p.a)	Total Amount (` In Lakhs p.a)
1	Gross Salary		
	(a) Salary as per provisions contained in section 17 (1) of the Income Tax Act, 1961	121.50	121.50
	Gross Salary		
	(b) Value of Perquisites u/sec 17 (2) Income Tax Act, 1961	7.29	7.29
	(c) Profits in lieu of salary under section 17 (3) of Income Tax Act, 1961		
2	Stock Option	Nil	Nil
3	Sweat Equity	Nil	Nil
4	Commission	-	-
	a. as a % of profit		
	b. Others, specify		
5	Others, Please specify	12.96	12.96
	a) HRA	10.13	10.13
	b) Medical	10.13	10.13
	c) LTA	-	-
	d) Leave Salary	14.58	14.58
	e) Contribution to PF		
	Total (A)	176.58	176.58

B. Remuneration to other Directors:

Sr. No.	Particulars of Remuneration	Fee for attending Board/ Committee Meetings (in Lakhs)	Commission) (in Lakhs)	Others, please specify (in Lakhs)	Total Amount (in Lakhs)
1.	Independent Directors				
	Prof. R. S. S. Mani	2.85	-	-	2.85
	Mr. C. B. Chhaya	3.03	-	-	3.03
	Mr. B. V. Dholakia	3.00	-	-	3.00
	Total (1)	8.88	-	-	8.88
2.	Other Non-Executive Directors				
	Dr. Jimmy Mirchandani	0.68	-	-	0.68
	Mrs. Nitya Mirchandani	3.40	-	-	3.40
	Total (2)	4.08	-	-	4.08
	Total (B)=(1+2)	12.96	-	-	12.96
	Total Managerial Remuneration	Rs. 189.54 Lakhs			

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

Sr No.	Particulars of Remuneration	Name of Key Managerial Personnel		Total Amount (in Lakhs)
		President and Chief Financial Officer	Company Secretary and Senior V. P. (Legal)	
		Mr. S. Ramamurthy (in Lakhs)	Mr. Qaiser P. Ansari (in Lakhs)	
1	Gross Salary			
	(a) Salary as per provisions contained in section 17 (1) of the Income Tax Act, 1961	24.86	14.95	39.81
	(b) Value of Perquisites u/sec 17 (2) Income Tax Act, 1961	-	-	-
2	c. Profits in lieu of salary under section 17 (3) of Income Tax Act, 1961	-	-	-
	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	a. as a % of profit			
	b. others, specify			
5	Others, Please specify	7.46	4.49	11.95
	a) HRA	3.25	1.26	4.51
	b) Conveyance	0.39	0.27	0.66
	c) Medical	1.94	1.19	3.13
	d) LTA	1.94	0.87	2.81
	e) Leave Salary	1.94	1.19	3.13
	f) Bonus	10.73	3.43	14.16
	g) Incentive	2.98	1.79	4.77
	h) Contribution to PF			
	Total	55.49	29.44	84.93

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

There were no penalties, punishment or compounding of offences for breach of any Section of Companies Act against the Company or its Directors or other Officers in default, if any, during the year ended 31st March, 2019.

For and on behalf of the Board,

Place: Mumbai

Date: 8th August, 2019

Dr. Rahul Mirchandani
Chairman & Managing Director
DIN-00239057

**SECRETARIAL AUDIT REPORT
FOR THE YEAR ENDED MARCH 31, 2019**

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

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representative during the conduct of Secretarial Audit, I hereby report that in my opinion the Company has during the year ended 31st March, 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contract (Regulation) act, 1956 ("SCRA") and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") to the extent they are applicable to the company
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
 - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations 1993 regarding the Companies Act and dealing with client;
 - (d) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
- (vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") were not applicable to the company
 - (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
 - (b) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
 - (c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
 - (d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vii) Other laws specifically applicable to the company namely :-
 - The Insecticides Act, 1968 and
 - The Fertilizer Control Order, 2011
- (viii) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

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

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

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

I further report that

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

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

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

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

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

PLACE : MUMBAI
DATE : 27th May, 2019

A SEKAR
COMPANY SECRETARY
ACS 8649 CP 2450

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

'Annexure A'

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, followed by me provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records, Books of Accounts and records pertaining to direct and indirect taxation of the company, which I believe are the domain of other professionals on whom the responsibility is entrusted by the provisions of the Companies Act, 2013.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

PLACE : MUMBAI
DATE : 27th May, 2019

A SEKAR
COMPANY SECRETARY
ACS 8649 CP 2450

REPORT ON CORPORATE GOVERNANCE

1. CORPORATE GOVERNANCE PHILOSOPHY

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

2. BOARD OF DIRECTORS

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

The Board of Directors of the Company ("the Board") consists of 6 Directors, headed by an Executive Chairman and out of which Five (5) are Non Executive Directors of which Three(3) are Independent Directors, two Non-Executive-Non Independent Directors out of which one is Woman Director. The Independent Directors are eminent professionals, with experience in, Management and Strategy, Human Resources, Banking, Corporate Laws etc. Composition of the Board and category of Directors are as follows:

Name of the Director and (Category)	Directorship in other Companies (Public/Private)*	Membership/Chairmanship of the Committees in other Companies**		Directorship in other Listed Entity (Category of Directorship)
		Chairperson	Member	
Dr. Rahul Mirchandani Chairman & Managing Director (Promoter- Executive Director)	6(3/3)	--	--	--
Dr. Jimmy Mirchandani Director (Promoter- Non-Executive Director)	6(2/3)	--	--	--
Mrs. Nitya Mirchandani Director(Woman Director) (Promoter- Non-Executive Director)	--	--	--	--
Prof. R.S.S. Mani Director (Independent- Non-Executive Director)	2(0/2)	--	--	--
Mr. Chakradhar Bharat Chhaya Director (Independent- Non-Executive Director)	1(1/0)	1	--	--
Mr. Bhumitra Vinodchandra Dholakia Director (Independent- Non-Executive Director)	3(2/1)	1	1	Rapicut Carbides Limited (Non-Executive-Independent)

1. *Directorships in Indian Public/Private Companies (Listed and Unlisted).
2. None of the Directors hold office in more than Eight Listed Entities. None of the Directors serve as an Independent Director in more than Seven Listed Entities. Managing Director does not serve as an Independent Director in any Listed entity.
3. **As required under Regulation 26(1)(b) of the Listing Regulations, the disclosure includes Chairmanship/Membership of the Audit Committee and Stake Holders Relationship Committee in India Public Companies(Listed and Unlisted).
4. During the year none of our Directors acted as Member in more than Ten Committees or as Chairperson in more than Five Committees across all Indian Public Companies(Listed and Unlisted) where he/she is a Director. For this purpose, Committee will include only Audit Committee and Stake Holders Relationship Committee.

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

The Board of Directors met 5(five) times during the year on 23.05.2018, 13.08.2018, 21.09.2018, 14.11.2018 and 13.02.2019. Not more than four months had elapsed between any two meetings. Every Quarter there was a Board Meeting as required under the Articles of Association of the Company. The necessary quorum was present at all the Meetings.

Attendance of Directors at Board Meetings, last Annual General Meeting and number of Directorships and Chairmanships/ Memberships of Committees of each Director in various Companies as on 31st March, 2019 is as follows:-

Name of the Director & Designation and category	Attendance of Meetings during 2018-19		Inter Se Relationship
	Board Meetings Attended	Last AGM held on 28-09-2018	
Dr. Rahul Mirchandani Chairman & Managing Director (Promoter)(CMD)	5	Yes	Brother of NED and Husband of NED

Name of the Director & Designation and category	Attendance of Meetings during 2018-19		Inter Se Relationship
	Board Meetings Attended	Last AGM held on 28-09-2018	
Dr. Jimmy Mirchandani Director (Promoter)(NED)	2	No	Brother of CMD
Prof. R. S. S. Mani Director Non Executive (Independent)	5	Yes	N.A.
Mr. Chakradhar Bharat Chhaya Director Non Executive (Independent)	5	Yes	N.A.
Mr. Bhumitra Vinodchandra Dholakia Director Non Executive (Independent)	5	Yes	N.A.
Mrs. Nitya Mirchandani Director Non-Executive (Promoter)(NED)	5	Yes	Wife of CMD

(C) Details of Equity Shares of the Company held by the Directors as on 31st March, 2019 are given below: {2(f) of Part C of Schedule V}

Name of the Directors	Number of Equity Share
<u>Executive Directors</u>	
Dr. Rahul Mirchandani	28,03,221
<u>Non-Executive Directors</u>	
Dr. Jimmy Mirchandani	33,44,830
Prof. R. S. S. Mani	NIL
Mr. C. B. Chhaya	NIL
Mr. Bhumitra V. Dholakia	NIL
Mrs. Nitya Mirchandani	3,000

The Company has not issued any Convertible Instruments.

(D) Web link where details of familiarization Program to Independent Director{2(g) of Part C of Schedule V}

The web link for details of familiarization program to Independent Director is <https://ariesagro.com/wp-content/uploads/2019/02/Trng-to-Independent-Directors-13.02.2019.pdf>

(E) Selection of New Directors and Board Membership Criteria

The Nomination and Remuneration Committee ('NRC') works with the Board to determine the appropriate qualifications, positive attributes, characteristics, skills and experience required for the Board as a whole and its individual members with the objective of having a Board with diverse backgrounds and experience in business, government, education and public service. The updated Policy for appointment and removal of Directors and determining Directors' independence is available on our website at www.ariesagro.com

Key Board Qualifications, Expertise and Attributes

The Directors are committed to ensuring that the Board is in compliance with the highest standards of Corporate Governance. The table below summarizes the key qualifications, skills and attributes which are taken into consideration by the NRC while recommending appointment of Directors to the Board

Director qualifications, skills, expertise, competencies and attributes desirable in Company's business and sector in which it functions {2(h) of Part C of Schedule V}

Skills and Attributes	Description
Alignment with Company culture and value system	Exhibit high levels of integrity and be appreciative of the core values of the Company

Experience in Managing Medium Size Corporations	Experience in leading and Managing Medium Size Corporations and have an understanding of the business environment, complex business processes, strategic planning, risk management, etc. Also, possess experience in driving growth with the ability to evaluate opportunities that are in line with the Company's strategy.
Understanding of Industry and Operations	Experience and knowledge of the functioning, operations, growth drivers, business environment and changing trends in the Fertilizer Industries as well as experience in overseeing large supply chain operations.
Understanding of finance and related aspects	Experience in Financial Management of Medium Size Corporations with understanding of capital allocation & funding and financial reporting processes.
Knowledge of technology and innovation	Understanding of emerging trends in technology and innovation that may have an impact on the business and have the ability to guide necessary interventions that can be utilised in making the business more competitive and sustainable
Knowledge of Governance and Law	Understanding of the legal ecosystem within which the Company operates and possess knowledge on matters of regulatory compliance, governance, internal controls. Experience in policy advocacy at national and international level.

(F) All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1) of the Listing Regulations. It is hereby confirmed that in the opinion of the Board, the Independent Directors fulfill the conditions specified in Listing Regulations and are Independent of the Management. **{2(i) of Part C of Schedule V}**

(G) During the year under review none of the Independent Directors has resigned before the expiry of their tenure. **{2(j) of Part C of Schedule V}**

(H) Board Meetings

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

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

During the year a separate Meeting of the Independent Directors was held inter-alia to review the performance of Non-Independent Directors and the Board as a whole. The Meeting was held without the presence of Management Staff of the Company.

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

(I) Code of Conduct

The Company has adopted a Code of Conduct for the Members of the Board and the Senior Executives including Duties of the Independent Directors in compliance with the provision of Regulation 17(5) of Listing Regulations. All the Members of the Board, Key Managerial Personnel and the Senior Management Personnel have affirmed compliance to the Code of Conduct as on 31-03-2019, and a declaration to that effect signed by the Chairman & Managing Director is attached and forms a part of this Report.

BOARD COMMITTEES

3. AUDIT COMMITTEE

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

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

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

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

(ii) Composition, Name of Members and Chairperson

The Audit Committee comprises of the following Directors:

Mr. Bhumitra V. Dholakia	: Chairman (Independent Director)
Prof. R. S. S. Mani	: Member (Independent Director)
Mrs. Nitya Mirchandani	: Member (Non-Independent Director)
Mr. C. B. Chhaya	: Member (Independent Director)

The composition of the Audit Committee was changed on 16.05.2019 and Mr. C. B. Chhaya was inducted as a Member.

The Chairman of the Audit Committee remains present at the Annual General Meeting. The previous Annual General Meeting of the Company was held on 28th September, 2018 and was attended by Mr. Bhumitra V. Dholakia, Chairman of the Audit Committee.

(iii) Meetings and Attendance during the year

The Audit Committee met 6(six) times during the year on 03.05.2018, 23.05.2018, 13.08.2018, 21.09.2018, 14.11.2018 and 13.02.2019. Not more than four months had elapsed between any two meetings. The necessary quorum was present at all the Meetings. All the six meetings were attended by the Members of the Audit Committee held during the year under review.

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

4. NOMINATION AND REMUNERATION COMMITTEE

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

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

1. To formulate criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. To formulate criteria for evaluation of Independent Directors and the Board;
3. to devise a policy on Board diversity;
4. To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.
5. Whether to extend or continue the term of appointment of the Independent Director , on the basis of the report of performance evaluation of Independent Director.
6. recommend to the board, all remuneration, in whatever form, payable to Senior Management.]

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

Nomination and Remuneration Committee consists of Mr. Chakradhar Bharat Chhaya, Prof. R. S. S. Mani, and Mr. Bhumitra V. Dholakia all Independent Directors, as members. Mr. Chakradhar Bharat Chhaya is the Chairman of the Committee. During the Financial Year 2018-19, the Committee met 2(two) times on 13.08.2018 and 13.02.2019 and all the Committee Members attended the meetings. .

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

(v) Remuneration Policy

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

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

ARIES AGRO LIMITED

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

1. Introduction

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

2. Objective and purpose of the Policy

The objective and purpose of this policy are:

- 2.1 *To formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a Director (Executive / Non-Executive) and recommend to the Board policies relating to the remuneration of the Directors, Key Managerial Personnel and other Employees.*
- 2.2 *To formulate the criteria for evaluation of performance of all the Directors on the Board.*
- 2.3 *To devise a policy on Board diversity; and*
- 2.4 *To lay out remuneration principles for working Directors, Key Managerial Personnel and Senior Management Team Members linked to their effort, performance and achievement in relation to the Company's goals.*

3. Definitions

'Board' means Board of Directors of the Company.

'Directors' means Directors of the Company.

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

'Company' means Aries Agro Limited

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

'Key Managerial Personnel (KMP)' means

- i) *Managing Director or the Manager,*
- ii) *Whole-time Director;*
- iii) *Company Secretary; and*
- iv) *Chief Financial Officer*

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

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

General

This Policy is divided in three parts:-

Part – A *Scope and Applicability*

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

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

Part – D *covers remuneration and perquisites etc.*

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

Part – A

SCOPE AND APPLICABILITY

- a) *Remuneration structures and other terms of employment of Key Managerial Personnel and Senior Management. Personnel.*
- b) *Remuneration of Non-Executive Directors*
- c) *Selection of the Independent Directors*
- d) *Selection of Key Managerial Personnel.*

Part – B

RESPONSIBILITIES AND POWERS OF THE NOMINATION AND REMUNERATION COMMITTEE

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

- (a) *Size and composition of the Board*

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

- (b) *Directors:*

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

- (c) *Succession plans:*

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

- (d) *Evaluation of performance:*

- i. *Make recommendations to the Board on appropriate performance criteria for the Directors.*
- ii. *Formulate the criteria and framework for evaluation of performance of every Director on the Board of the Company.*
- iii. *Identify ongoing training and education programmes for the Board to ensure that Non-Executive Directors are provided with adequate information regarding the options of the business, the industry and their legal responsibilities and duties.*

- (e) *Board diversity:*

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

- (f) *Remuneration framework and policies:*

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

- (a) *The remuneration of the Managing Director, Whole-time Directors and other KMPs*
- (b) *The level of remuneration of Non-Executive Directors and for individual remuneration for Non-Executive Directors and the Chairman, including any additional fees payable for membership of Board committees;*
- (c) *The remuneration policies for all employees including KMPs, Senior Management and other Employees including base pay, incentive payments, equity awards, retirement rights and service contracts having regard to the need to*
 - (i) *Attract and motivate talent to pursue the Company's long term growth;*
 - (ii) *Demonstrate a clear relationship between executive compensation and performance; and*
 - (iii) *Be reasonable and fair, having regard to best governance practices and legal requirements.*
- (d) *The Company's equity based incentive schemes including a consideration of performance thresholds and regulatory and market requirements;*
- (e) *The Company's superannuation arrangements and compliance with relevant laws and regulations in relation to superannuation arrangements; and*
- (f) *The Company's remuneration reporting in the financial statements and remuneration report.*
- (g) *However, the Managing Director or Executive Director jointly or severally shall have right to fix total pay package (remuneration, allowances and perquisites) of all the Key Managerial and Senior Management Personnel (other than Director level) within the frame work of this Policy and periodically report to the Committee which will evaluate the same and if need be recommend variation in the pay package.*

Part – C

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

Appointment criteria and qualifications

1. *The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or Senior Management level and recommend to the Board his / her appointment.*
2. *A person to be appointed as Director, KMP or Senior Management level should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.*
3. *A person, to be appointed as Director, should possess impeccable reputation for integrity, deep expertise and insights in sectors / areas relevant to the Company, ability to contribute to the Company's growth, complementary skills in relation to the other Board members.*
4. *The Company shall not appoint or continue the employment of any person as Managing Director / Executive Director who has attained the age of seventy years and shall not appoint Independent Directors who has attained the age of seventy years. Provided that the term of the person holding this position may be extended at the discretion of the committee beyond the age of seventy years with the approval of shareholders by passing a Special Resolution based on the Explanatory Statement annexed to the Notice for such motion indicating the justification for extension of appointment beyond seventy years as the case may be.*
5. *A Whole-Time KMP of the Company shall not hold office in more than one Company except in its Subsidiary Company at the same time. However, a Whole-Time KMP can be appointed as a Director in any Company, with the permission of the Board of Directors of the Company.*

Term / Tenure

1. *Managing Director / Whole-time Director*

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

2. *Independent Director*

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

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

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

Removal

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

Retirement

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

PART – D

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

Managing Director, Executive Director or Whole Time Director

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

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

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

1. Fixed Pay

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

These guidelines are as under:

a) Annual Remuneration

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

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

b) Long-term rewards

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

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

Remuneration to Non-Executive / Independent Directors

1. Remuneration

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

The remuneration to the Non-Executive Directors (including Independent Directors) may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

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

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

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

This Policy is updated on 30th May, 2014.

vi) Performance Evaluation of Directors

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

vii) Meeting of Independent Directors

1(One) separate meeting of the Independent Directors were held on 13.02.2019, inter-alia, to discuss evaluation of the performance of Non- Independent Directors, the Board as a whole, evaluation of the performance of the Chairman, taking into account the views of the Executive and Non-Executive Directors and the evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

viii) Tenure of Independent Directors:

All three Independent Directors have been appointed for a term of 5(five) years in the Forty Fourth Annual General Meeting held on 26th September, 2014 and will hold office upto 25th September, 2019. Mr. C.B. Chhaya who attained age of 75 years on 9th November, 2019 was re-appointed for second term of 5(five) years w.e.f. 01.04.2019 in the last Annual General Meeting held on 28th September, 2018. Prof. R. S. S. Mani and Mr. .B. V. Dholakia's term is expiring on 25th September, 2019 and their re-appointment for second term of 5(five) years is being proposed at the ensuing Annual General Meeting.

5. DETAILS OF REMUNERATION PAID TO THE DIRECTORS FOR THE YEAR ENDED 31ST MARCH 2019.

i) Managing Director

The Agreement with the Chairman & Managing Director is for a period of 5(Five) Years from 04.04.2017 to 31.03.2022 at a remuneration sanctioned for a period of 3(Three) Years i.e. upto 31st March, 2020.

The total remuneration paid to the Managing Director during the year 2018-19 was as under:

(Rupees)

Name	Salary	Commission	Contribution to Provident Fund/ Gratuity	Total
Dr. Rahul Mirchandani Chairman & Managing Director	1,62,00,000	--	14,58,000	1,76,58,000

Notes:

- The Agreement with the Managing Director is for a period of 5(Five) Years from 04.04.2017 to 31.03.2022 at a remuneration sanctioned for a period of 3(Three) Years i.e. upto 31st March, 2020. Either party to the Agreement was entitled to terminate by giving the other party a notice of 3 months.
- The Managing Director is entitled to compensation for loss of office in accordance with and subject to restrictions laid down under Sections 197 and 202 of the Companies Act 2013.
- Presently, the Company does not have a scheme for grant of Stock Options to its Working Directors
- The Managing Director is entitled to Commission within the overall limit prescribed under Section 197 of the Companies Act, 2013.

ii) The Non Executive Directors are not entitled to any Remuneration except payment of Sitting Fees for attending the Meetings of Board of Directors and Committees thereof. During the year 2018-19, the Company has paid total Sitting Fee of Rs. 12,95,000/- to Non Executive Directors as under:

Dr. Jimmy Mirchandani	Rs. 67,500.00
Prof. R. S. S. Mani	Rs. 2,85,000.00
Mr. C. B. Chhaya	Rs. 3,02,500.00
Mr. B. V. Dholakia	Rs. 3,00,000.00
Mrs. Nitya Mirchandani	Rs. 3,40,000.00

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

6. STAKE HOLDERS RELATIONSHIP COMMITTEE

- The Company has a Stake Holders Relationship Committee pursuant to provisions of Section 178(5) of the Companies Act, 2013 and Listing Regulations.
- The Stake Holders Relationship Committee has been constituted to specifically look into redressing the Shareholders and Investors' Complaints or Grievances.

- iii) The Committee met once during the year on 13th February, 2019.
- iv) The Composition of the Stake Holders Relationship Committee and details of Meetings attended by its Members are given below:

Name & Position	Category	Number of Meetings during the Financial Year 2018-19	
		Held	Attended
Mr. C. B. Chhaya Chairman	Independent, Non-Executive	1	1
Dr. Jimmy Mirchandani Member	Non-Independent, Non Executive	1	1
Dr. Rahul Mirchandani Member	Non-Independent, Executive	1	1

The composition of the Stake Holders Relationship Committee was changed on 13.02.2019 and Mrs. Nitya Mirchandani was inducted as a Member in place of Dr. Jimmy Mirchandani.

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

- v) The Company has always valued Customer relationship. This philosophy has been extended to Stakeholder Relationship.
- vi) **Name & Designation and Address of Compliance Officer:**
Mr. Qaiser Parvez Ansari, Company Secretary or in his absence Mr. S. Ramamurthy, Chief Financial Officer is designated as Compliance Officer of the Company.
Aries House, Plot No. 24, Deonar
Govandi(E), Mumbai-400 043
Phone No. 022 2552 9000/2556 4052/53/62580505
Fax No. 022 2556 4054/25571711

- vii) A statement of various Complaints received and cleared by the Company during the year ended on 31st March, 2019 is given below:

	Nature of Request/Complaint	Opening	No. of Requests/ Complaints	Redressed	Pending
	A: REQUESTS				
1.	Receipt of D/W for Revalidation	0	2	2	0
3.	Request for status of Dividend (Unclaimed Dividend)	0	9	9	0
4.	Request for issue of DD against D/W	0	1	1	0
	TOTAL	0	12	12	0
	B: COMPLAINTS	0	0	0	0
	TOTAL	0	0	0	0
	GRAND TOTAL	0	12	12	0

- viii) The "SCORES" website of SEBI for redressing of Grievances of the investors is being visited at regular intervals by the Company Secretary and any Complaint received, is promptly resolved and Action Taken Report filed on SCORES.
- ix) As required by the Listing Regulations the E-mail ID of the Investor Grievance Department of the Company is investorrelations@ariesagro.com.
- x) The Web Site address of the Company is www.ariesagro.com.

7. OTHER COMMITTEES (VOLUNTARY DISCLOSURE AND COMPLIANCE)

a) Corporate Social Responsibility (CSR) Committee

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

- Dr. Rahul Mirchandani, Non-Independent, Executive
- Mr. Bhumitra V. Dholakia, Independent, Non-Executive
- Mrs. Nitya Mirchandani, Non-Independent, Non Executive

The composition of the CSR Committee was changed on 13.02.2019 and Mrs. Nitya Mirchandani was inducted as a Member in place of Dr. Jimmy Mirchandani.

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

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

- (b) to recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
(c) to monitor the Corporate Social Responsibility Policy of the Company from time to time.

During the year 1(one) Meeting of the CSR Committee were held on 13th August, 2018.

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

Name & Position	Category	Number of Meetings during the Financial Year 2018-19	
		Held	Attended
Dr. Rahul Mirchandani Chairman	Non-Independent, Executive	1	1
Dr. Jimmy Mirchandani Member	Non-Independent, Non Executive	1	0
Mr. Bhumitra V. Dholakia	Independent, Non-Executive	1	1

The composition of the CSR Committee was changed on 13.02.2019 and Mrs. Nitya Mirchandani was inducted as a Member in place of Dr. Jimmy Mirchandani.

b) Treasury Committee

Composition of the Committee

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

The Committee consists of the following members:

Dr. Rahul Mirchandani : Chairman
Mr. C. B. Chhaya : Member
Mrs. Nitya Mirchandani : Member

During the year 6(six) Meeting of the Treasury Committee were held on 30.06.2018, 27.07.2018, 25.09.2018, 17.12.2018, 11.03.2019 and 27.03.2019.

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

Name & Position	Category	Number of Meetings during the Financial Year 2018-19	
		Held	Attended
Dr. Rahul Mirchandani Chairman	Non-Independent, Executive	6	6
Mr. C. B. Chhaya	Independent, Non-Executive	6	6
Mrs. Nitya Mirchandani	Non-Independent, Non-Executive	6	6

c) Risk Management Committee

The Company is not required to have the Risk Management Committee as it does not fall under the Top 500 Companies as required by the Listing Regulations.

8. GENERAL BODY MEETINGS

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

Financial Year ended	Date	Time	Venue	Details of Special Resolutions
31 st March, 2016	30.09.2016	10.00 a.m.	The Chembur Gymkhana, 16 th Road, Chembur, Mumbai-400 071	NONE
31 st March, 2017	28.09.2017	10.00 a.m.	The Chembur Gymkhana, 16 th Road, Chembur, Mumbai-400 071	Appointment of Dr. Rahul Mirchandani as the Managing Director for 5(five) years from 4 th April, 2017 to 31 st March, 2022 and approval of remuneration for a period of 3(three) Years from 4 th April, 2017 to 31 st March, 2020.
31 st March, 2018	28.09.2018	10.00 a.m.	The Chembur Gymkhana, 16 th Road, Chembur, Mumbai-400 071	1. Re-appointment of Shri Chakradhar Bharat Chhaya as an Independent Director for a second term of 5 (five) consecutive years on the Board of the Company with effect from April 1, 2019." 2. Confirmation of Appointment of Dr. Jimmy Mirchandani as a Consultant upto 3 rd April, 2022.

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

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

9. MEANS OF COMMUNICATION

Means of Communication:

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

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

(ii) Newspaper where results are published

The Company usually publishes its financial results in following newspaper

1. The Business Standard
2. Mumbai Lakhshdeep

(iii) Company's Corporate Website

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

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

Quarterly Report for the quarter ended	Submitted to BSE Ltd. Through their portal	Submitted to National Stock Exchange of India Ltd through NEAPS
30 th June, 2018	4 th July, 2018	4 th July, 2018
30 th September, 2018	7 th October, 2018	7 th October, 2018
31 st December, 2018	3 rd January, 2019	3 rd January, 2019
31 st March, 2019	10 th April, 2019	10 th April, 2019

(iv) Release of Official News

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

(v) Presentation to Institutional Investors or to analysts

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

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

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

10. GENERAL SHAREHOLDERS INFORMATION

(i) Annual General Meeting

The 49th Annual General Meeting of the Shareholders will be held on Monday, 30th September, 2019 at 10.30 a.m.

Venue: The Huddle, Stellar Towers, 12th Floor, Opp: K. Star Mall, Diamond Garden, Chembur, Mumbai-400 071.

(ii) Financial Calendar:-

For the year ending 31st March, 2020 the Financial Results will be announced on:

First Quarter	: On or before 14 th August, 2019
Half year	: On or before 14 th November, 2019
Third Quarter	: On or before 14 th February, 2020
Yearly	: On or before 30 th May, 2020

(iii) Date of Book Closure: - Saturday, 21st September, 2019 to Monday, 30th September, 2019 (both days inclusive)

(iv) Dividend, if any, declared by the Members in the ensuing Annual General Meeting will be paid on 25th October, 2019.

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

ISIN NO. : INE298I01015

(vi) Listing Fee: The Listing Fee for the financial year 2018-2019 has been paid to the above Stock Exchanges.

The Listing Fee for the financial year 2019-2020 have also been paid to the above Stock Exchanges.

(vii) Scrip Code : BSE - 532935

NSE - ARIES

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

Monthly Share Price Data of the Company's shares on BSE for the year ended 31st March, 2019

Month	Highest		Lowest	
	Rate (Rs.)	Date	Rate (Rs.)	Date
April, 2018	217.40	18.04.2018	174.05	02.04.2018
May, 2018	209.00	02.05.2018	152.00	25.05.2018
June, 2018	162.80	01.06.2018	120.00	27.06.2018
July, 2018	130.75	10.07.2018	92.45	23.07.2018
August, 2018	130.65	21.08.2018	107.00	10.08.2018 & 13.08.2018
September, 2018	122.00	03.09.2018	94.20	28.09.2018
October, 2018	107.50	15.10.2018	86.25	01.10.2018
November, 2018	119.90	13.11.2018	94.25	29.11.2018
December, 2018	107.85	20.12.2018	89.60	11.12.2018
January, 2019	105.80	08.01.2019	88.35	29.01.2019
February, 2019	96.20	01.02.2019	68.50	22.02.2019
March, 2019	90.00	28.03.2019 & 29.03.2019	74.50	01.03.2019

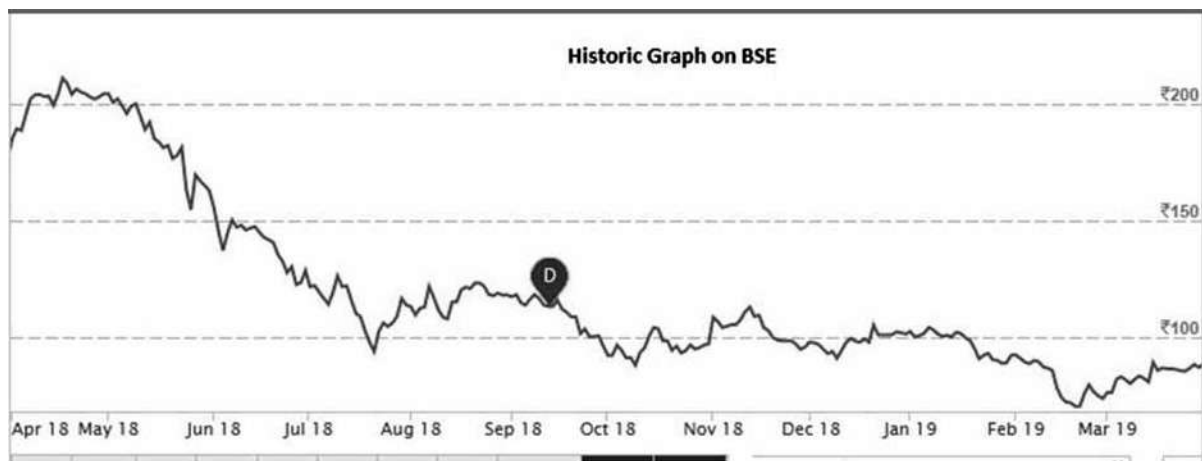
Monthly Share Price Data of the Company's shares on NSE for the year ended 31st March, 2019

Month	Highest		Lowest	
	Rate (Rs.)	Date	Rate (Rs.)	Date
April, 2018	217.00	17.04.2018	176.10	02.04.2018
May, 2018	208.80	02.05.2018	151.30	25.05.2018
June, 2018	165.40	01.06.2018	118.00	27.06.2018
July, 2018	131.60	10.07.2018	90.30	23.07.2018
August, 2018	129.50	07.08.2018	106.70	10.08.2018
September, 2018	122.10	03.09.2018	91.00	21.09.2018
October, 2018	107.30	15.10.2018	85.55	09.10.2018
November, 2018	120.00	12.11.2018 & 13.11.2018	94.10	28.11.2018
December, 2018	108.00	20.12.2018	88.00	11.12.2018
January, 2019	111.80	07.01.2019	88.05	28.01.2019 & 29.01.2019
February, 2019	95.80	01.02.2019	69.20	22.02.2019
March, 2019	91.80	15.03.2019	73.00	01.03.2019

(xv) Performance in comparison to BSE & NSE Sensex

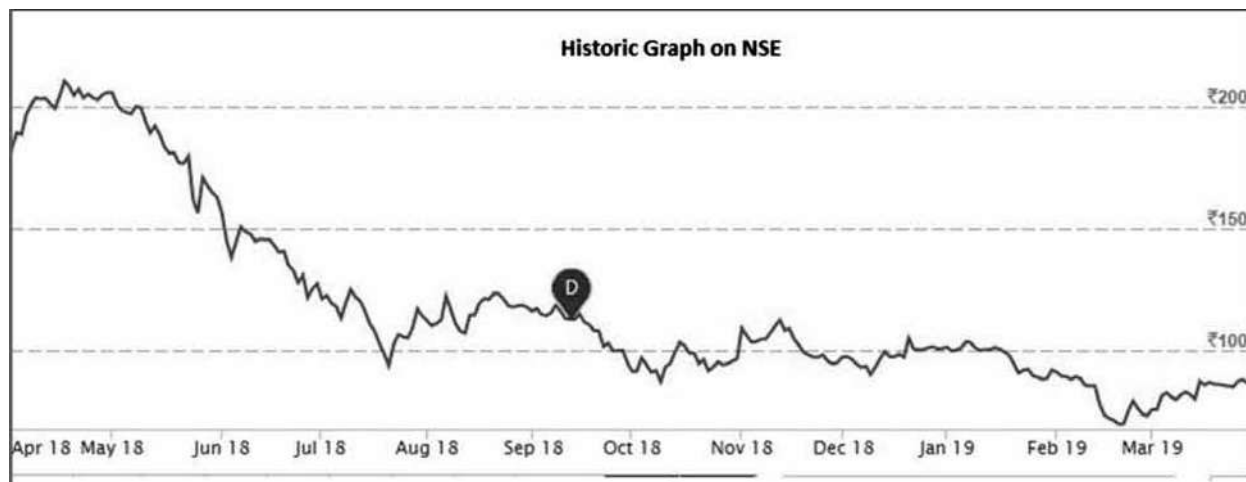
BSE

Historic Graph of Aries Agro on BSE



NSE

Historic Graph of Aries Agro on NSE



(ix) During the year under review the listed securities of the Company have not been suspended from trading by any of the Stock Exchanges.

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

M/S. AARTHI CONSULTANTS PVT LTD

Regd. Office

1-2-285 Domalguda, Hyderabad – 500029

Tel: 040 27638111 / 27634445 / 27642217 / 66611921

Fax: 040 27632184

Email: info@aarthiconsultants.com

(xi) **Share Transfer System**

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

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

Upto 1000 Shares : Mr. S. Ramamurthy, President and Chief Financial Officer and Mr. Qaiser P. Ansari, Company Secretary,

1001 to 5000 Shares : Dr. Rahul Mirchandani, Chairman & Managing Director

above 5000 Shares : Stake Holders Relationship Committee

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

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

(xii) (1) **Distribution of Share Holding as on 31st March 2019**

SL NO	CATEGORY	HOLDERS	HOLDERS PERCENTAGE	SHARES	AMOUNT	AMOUNT PERCENTAGE
1	1 - 5000	11762	85.28	1428455	14284550	10.98
2	5001 - 10000	1101	7.98	868959	8689590	6.68
3	10001 - 20000	469	3.4	698582	6985820	5.37
4	20001 - 30000	156	1.13	393216	3932160	3.02
5	30001 - 40000	80	0.58	282231	2822310	2.17
6	40001 - 50000	64	0.46	300190	3001900	2.31
7	50001 - 100000	102	0.74	744116	7441160	5.72
8	100001 & Above	59	0.43	8288590	82885900	63.74
	Total:	13793*	100	13004339	130043390	100

**Prepared based on the PAN*

(2) **Distribution of shareholding according to categories of shareholders as on 31st March, 2019**

Categories	No. of Shares	Amt. in Rs.	% to Total
Promoters	6847926	68479260	52.66
Directors (Independent)	--	--	--
Financial Institutions/ Banks	19740	197400	0.15
Mutual Funds / UTI	--	--	--
NRIs / OCBs/FIIs	259294	2592940	1.99
Other Bodies Corporate	625334	6253340	4.81
Public	5252045	52520450	40.39
Total	13004339	130043390	100.00

(xii) **Details of Demat Shares as on 31st March, 2019**

Name of Depository	No. of Shareholders	No. of Shares	% of Capital
NSDL	7943	10570609	81.29
CDSL	5952	2315224	17.80
Sub-Total	13895	12885833	99.09
Physical Mode	185	118506	0.91
Grand Total	14080*	13004339	100.00

*Actual Count

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

(xiv) **Commodity Price Risk or Foreign Exchange Risk and Hedging Activities**

Not Applicable

(xv) **Plant Location:-**

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

(xvi) **Address for Correspondence:**

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

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

- ii) For grievance redress and any query

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

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

- (iii) SEBI toll-free helpline service for investors: 1800 266 7575/1800 22 7575 (available on all days from 9.00 a.m. to 6.00 p.m.)

(xvii) Credit Ratings

The Company's Credit during the year under review continued to be as under:

Facilities	Rating
Long Term Bank Facilities(Fund Based)	CARE BBB+; Stable (Triple B Plus; Outlook: Stable)
Short Term Bank Facilities(Non Fund Based)	CARE A3+(A Three Plus)

The Rating agency M/S **CARE Ratings** have on 10th June, 2019 re-assigned the Credit Rating as under:

Facilities	Rating
Long Term Bank Facilities(Fund Based)	CARE BBB-; Stable (Triple B Minus; Outlook: Stable)
Short Term Bank Facilities(Non Fund Based)	CARE A3(A Three)

11. DISCLOSURES
(i) Related Party Transactions

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

The Board has approved a Policy for Related Party Transactions.

All the transactions with Related Parties are periodically approved by the Audit Committee. The Register of Contracts detailing transactions in which Directors are interested is placed before the Board at every Meeting for its approval. Transactions with Related Parties, as per requirements of Ind AS 24 are disclosed in Note No. 37 to the Accounts in the Annual Report and they are not in conflict with the interest of the Company at large.

(ii) Compliances by the Company

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

(iii) Whistle Blower Policy: (Vigil Mechanism)

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

(iv) Compliance with Mandatory and Non-Mandatory Items

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

- Maintenance of the Chairman's Office:** The Company has an Executive Chairman and the office provided to him for performing his executive functions is also utilized by him for discharging his duties as Chairman. No separate office is maintained for the Non-Executive Chairman of the Audit Committee but Secretarial and other assistance is provided to him, whenever needed, in performance of his duties.
- Shareholders' rights:** Un-Audited Quarterly Financial Results and Summary of Significant Events are posted on the website of the Company.
- Audit Qualification:** The Auditors remarks if any are explained in the Board's Report and necessary actions are also taken by the Company when required. The Company shall endeavor to have unqualified Financial Statements. There is no qualification in the Auditors Report in the current year.
There have been no qualifications by the Auditors in their report on the Accounts of the Company for the last 9(Nine) years. The Company shall endeavor to continue to have unqualified financial statements.
- Separate posts of Chairman and CEO**—The Articles No. 179 of the Articles of Association permits the Managing Director to hold the office of the Chairman.
- Reporting of Internal Auditor** Partner of the firm of Internal Auditor attends the meetings of the Audit Committee regularly and directly interacts with the Audit Committee.

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

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

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

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

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

Not Applicable

(viii) No funds were raised, during the year under review, through Preferential Allotment or Qualified Institutions Placement as specified under Regulation 32(7A) of the Listing Regulations.

(ix) A certificate from a Company Secretary in Practice is annexed to this Report certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/Ministry of Corporate Affairs or any such Statutory Authority.

(x) Recommendations of all the Committees, if any, are considered and implemented by the Board from time to time.

(xi) Total fees for all services paid by the Company and the Subsidiaries, on a consolidated basis, to the Statutory Auditor and all entities in the network firm/network entity of which the Statutory Auditor is a part, is given under Note No. 35.1(a) of the Notes to Accounts of Consolidated Financial Statements.

(xii) No complaints were received by the Internal Committee from any employee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

12. Non Compliance of any requirement of Corporate Governance Report of sub-para (2) to (10) above

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

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

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

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

15. Declaration regarding Code of Conduct:

The Members of the Board and Senior Management Personnel have affirmed the Compliance with the Code of Conduct applicable to them during the year ended 31st March, 2019. The Annual Report of the Company contains a Certificate by the Chairman and Managing Director in terms of Listing Regulations based on compliance declarations received from Independent Directors, Non-Executive Directors and Senior Management Personnel.

16. Compliance Certificate from the Auditors regarding compliance of conditions of Corporate Governance is annexed with this Report.

17. Disclosures with respect to Demat Suspense Account/ Unclaimed Suspense Account

Not Applicable

18. CMD/CFO Certification

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

19. Reconciliation of Share Capital Audit

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

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

Sr. No.	Name of the Companies	Shareholding of the Company as on 31.03.2019
1.	Sreeni Agro Chemicals Ltd.	NIL
2.	Aries Marketing Ltd.	NIL
3.	Blossoms International Ltd.	NIL
4.	Aries East-West Nutrients Pvt. Ltd.	NIL

21. SUBSIDIARY COMPANIES

A list of Subsidiary Companies is given in Note No. 37 of the Notes to Accounts forming part of the Annual Report.

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

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

22. UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

During the year Unpaid/Unclaimed Amount of Rs. 2,72,746/- in respect of Unpaid/Unclaimed Final Dividend-2010-11 was transferred to Investor Education and Protection Fund (IEPF) on 31st October, 2018.

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

In accordance with the provisions of Companies Act, 2013 the Company has transferred 16,692 Equity Shares of 10/- each, to the credit of IEPF Authority, on 3rd/4th April, 2018, in respect of which dividend had not been paid or claimed by the members for seven consecutive years or more as on the cut-off date, i.e. 5th March, 2018. The Company has further transferred 2,107 Equity Shares of 10/- each, to the credit of IEPF Authority, on 1st November, 2018, in respect of which dividend had not been paid or claimed by the members for seven consecutive years or more as on the cut-off date, i.e. 5th October, 2018. The Company has initiated necessary action for transfer of shares in respect of which dividend has not been paid or claimed by the members consecutively since 2011-12.

The status of dividend remaining unclaimed is given hereunder:

Unclaimed Dividend	Status	Whether it can be claimed	Can be claimed from	Action to be taken
For the Financial Year 2007-08	Transferred to Investor Education and Protection Fund Account	No (As per Section 205C of the Companies Act, 1956, No claim shall lie against the Fund) N.A.	N.A.	N.A.
For the Financial Year 2009-10	Transferred to Investor Education and Protection Fund Account	Yes	(As per Section 125(4) of the Companies Act, 2013 from the IEPF Authority by following the procedure prescribed under Investor Education and Protection Fund Authority (Accounting, Audit, Transfer & Refund) Rules, 2016.	As per the Rules
For the Financial Year 2010-10 (Interim Dividend-2010-11)	Transferred to Investor Education and Protection Fund Account	Yes	(As per Section 125(4) of the Companies Act, 2013 from the IEPF Authority by following the procedure prescribed under Investor Education and Protection Fund Authority (Accounting, Audit, Transfer & Refund) Rules, 2016.	As per the Rules
For the Financial Years 2010-11(Final Dividend-2010-11) to 2017-18	Lying in respective Unpaid Dividend Accounts	Yes	(As per Section 125(4) of the Companies Act, 2013 from the IEPF Authority by following the procedure prescribed under Investor Education and Protection Fund Authority (Accounting, Audit, Transfer & Refund) Rules, 2016.	As per the Rules

Pursuant to the provision of the Investor Education and Protection Fund (Uploading of Information Regarding Un-Paid/Un-Claimed amounts lying with Companies), Rules, 2012, the Company has hosted on its website i.e. www.ariesagro.com and on the web site of the Ministry of Corporate Affairs the details of the Unclaimed Dividend as on the AGM dated 28.09.2018.

23. The date of declaration of dividend in respect of Financial Years 2011-12 to 2017-18 and the last date for claiming such dividend is given in the table below:

Financial year	Date of Declaration	Rate	Last Date of Claiming payment from Aarthi Consultants Pvt. Ltd*	Due for Transfer to IEPF
2011-12	28 th September, 2012	15%	3 rd October, 2019	4 th October, 2019
2012-13	30 th September, 2013	15%	5 th October, 2020	6 th October, 2020
2013-14	26 th September, 2014	20%	1 st October, 2021	2 nd October, 2021
2014-15	30 th September, 2015	20%	5 th October, 2022	6 th October, 2022
2015-16	30 th September, 2016	15%	5 th October, 2023	6 th October, 2023
2016-17	28 th September, 2017	20%	3 rd October, 2024	4 th October, 2024
2017-18	28 th September, 2018	23%	3 rd October, 2025	4 th October, 2025

*Indicative dates. Actual dates may vary.

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

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

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

All the Share Holders are requested to claim the Unpaid/Unclaimed Dividends due to them by making an application to M/S. Aarhi Consultants Pvt.Ltd., Registrar and Transfer Agents of the Company or directly to the Company on or before 5th October, 2019. In case the Share Holders fail to claim the above dividend, all the concerned shares (whether held in physical or electronic form) will be transferred by the Company to IEPF Suspense Account. Kindly note that dividend for Financial Year 2010-11(Final Dividend) has already been transferred to IEPF.

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

CERTIFICATE FROM AUDITORS REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE
AUDITORS' CERTIFICATE

To the Members of Aries Agro Limited

We have examined the compliance of the conditions of Corporate Governance by Aries Agro Limited for the year ended 31st March, 2019, as stipulated in Listing Regulations.

The compliance of the conditions of Corporate Governance is the responsibility of the Company's Management. Our examination has been limited to review of the procedures and implementation thereof adopted by the Company for ensuring the compliance with the conditions of Corporate Governance as stipulated in the Listing Regulations. It is neither an audit nor an expression of an opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations.

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

For **Sandeep Sheth & Associates**
Chartered Accountants

Sandeep Sheth
Proprietor
Membership No. 101903
Mumbai
Date: 8th August, 2019

Declaration by the Chairman & Managing Director to the Compliance of Code of Conduct in pursuance of Regulation 26 of the Listing Regulations

It is hereby declared that the Company has obtained from all the Members of the Board and Senior Management Personnel of the Company, affirmation to the effect that they have complied with the Code of Conduct of the Company during the Financial Year 2018-19.

Dr. Rahul Mirchandani
Chairman & Managing Director
DIN-00239057
Date: 8th August, 2019

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

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

- (a) We have reviewed the Financial Statements and the Cash Flow Statement for the Year ended on 31st March, 2019 and that to the best of our knowledge and belief we state that :-
- These Statements do not contain any materially untrue statement or omit any material fact or contain any statement that might be misleading.
 - These statements together present a True and Fair view of the Company's affairs and are in compliance with existing Accounting Standards, Applicable Laws and Regulations.
- (b) We further state that to the best of our knowledge and belief there are no transactions entered into by the Company during the year, which are Fraudulent, Illegal or Violative of the Company's Code of Conduct. We hereby declare that all the Members of the Board of Directors and Management Committee have confirmed compliance with the Code of Conduct as adopted by the Company.
- (c) We are responsible for establishing and maintaining Internal Controls for Financial Reporting and for evaluating the effectiveness of the same over the Financial Reporting of the Company and have evaluated the effectiveness of Internal Control Systems of the Company pertaining to Financial Reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of Internal Controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee that:
- there have been no significant changes in the Internal Controls over Financial Reporting during the year.
 - there have been no significant changes in the Accounting Policies made during the year and that the same has been disclosed in the Notes to the Financial Statements; and
 - there have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the Management or an Employee having significant role in the Company's Internal Control System over Financial Reporting.

Mumbai
8th August, 2019

Dr. Rahul Mirchandani
Chairman & Managing Director
DIN-00239057

S. Ramamurthy
President and Chief Financial Officer
Membership No. ACA-31200

CERTIFICATE

(Pursuant to Clause 10(i) of Part C of Schedule V of LODR)

I have examined the relevant Registers, Records, Forms, Returns and Disclosures received from the Directors of ARIES AGRO LIMITED (CIN L99999MH1969PLC014465), having Registered Office at Aries House, Plot No. 24, Deonar, Govandi East, Mumbai 400 043 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its Officers, I hereby certify that as on the date of this certificate, none of the Directors on the Board of the Company, have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Place : Mumbai
Date : 8th July, 2019

A SEKAR
COMPANY SECRETARY
ACS 8649 CP 2450

MANAGEMENT DISCUSSION AND ANALYSIS

Forward Looking Statements

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

OVERVIEW

Overview of Industry:

The Company is part of the growing specialty plant nutrition industry which is a niche sector within the crop nutrition segment of agricultural inputs. During the year under review the monsoon was at 91% of the LPA (Long Period Average) with drought condition in North East India. Only 2/3rd of the country received normal rainfall and 1/3rd of the country received deficient monsoon. Even the monthwise distribution was erratic. After a good start in June 2018 at 95% of the LPA, the rainfall reduced to 76% of LPA in September 2018. This was followed by severe cold wave condition in the Rabi season and poor reservoir levels. Despite this the Company took the efforts to maintain its gross revenues. However, in order to boost lifting in the second half of the year especially in Q4, additional trade discounts was offered. On standalone basis the Company's gross revenue increased marginally by 0.13% from Rs.319.89 Crores to Rs.320.31 Crores. On a consolidated basis, international sales were suspended due to non-manufacturing in UAE facilities.

Manufacturing Base

The total capacity utilization currently stands at 63% of the total installed capacity of 95,400 MT p.a. in India. During the year under review import substitutes continued due to full scale manufacturing of previously imported items at Hyderabad and Chhatral facilities. The manufacturing unit at Fujairah, UAE continued with suspended operations due to continued lack of power and movement restrictions in key raw material inputs. A final decision on similar shifting of this

Unit to an alternate location in India shall be done in 2019-20. In the meanwhile, fixed costs have been reduced to the bare minimum in UAE. Increased focus on the strengthening of Indian manufacturing base has been extremely beneficial to improve the profitability of the Company.

HIGHLIGHTS & KEY DEVELOPMENTS

HighLights

Financial Year 2018-19 was characterized by erratic demand scenario with significant monthly changes in growth patterns. However, the quarterly growth in revenue is as under:

Particulars	Percentage Share in Annual Revenue
Q 1	22.20
Q 2	29.80
H 1	52.00
Q 3	26.12
Q 4	21.88
H 2	48.00
Annual	100

Cost control measures strengthened along with continued focus on domestic manufacturing showed increase in profitability (PAT) by 5.29 percentage.

Orders received during these booking bazaars have assisted in better working capital management.

On a consolidated basis despite the restructuring of international operations consolidated P&L showed a slight reduction in PAT in comparison with the previous Financial Year.

Aqua based products were introduced during the financial year namely Aqua Boost, Aquacan, Aquagold, Aquamag, Aquamin Plus, Aquashell, Aqua Zincmag, Aquablend Forte and Aquazin Plus.

Key DEVELOPMENTS

The following were key events during the year;

- 1) All India planning meeting was conducted in April 2018 at Kolkata with top management, region and state heads and strategic partners to finalize plans for 2018-19.
- 2) IMMA National Summit in coordination with Aries was organized at Delhi in April 2018
- 3) Distributors / Dealers Meeting were conducted at Trichy, Puri, Goa, Udaipur, Digha, Lonavala, Kakdwip, Mysore, Guwahati and Shillong in 2018-19. Chairman's club Dealers meeting were conducted in Thailand, Sri Lanka, Indonesia and Nepal.
- 4) Analyst Meet was conducted in June 2018 and March 2019 to update the stakeholders regarding the Company's performance and future prospects.
- 5) The Company conducted several training programmes viz.
 - Advanced Greenhouse management Training at Krishi Vigyan Kendra, Baramati, Maharashtra

- Farmer Meeting on Chilly Crop at Manikwada in Wardha
 - Citrus Fruit Crops & Progressive Farmers Training Programme in Amravati, at Mohanrao Totey Auditorium & Human Resource Development Complex, Amravati
- 6) Ground breaking ceremony at the newly purchased Raipur Land in August 2018
 - 7) In the step towards precision farming, successful Drone trials were conducted in Gurgaon, Delhi in August 2018
 - 8) Monthly Sales Review Meetings were held in Mumbai, Hyderabad, Coimbatore, Vijayawada, Kolkata, Ludhiana, Delhi and Srinagar. Half Yearly planning Meeting was also conducted in October 2018 at Raipur.
 - 9) Delegation of Farmers from South Africa visited Aries Head Office - January 2019 to explore possible collaborative opportunities.
 - 10) Cii Agricouncil CII IndiaGap February 2019
 - 11) 'Women Safety program' was conducted at Head office in February 2019 whereby the women employees were taught safe and simple techniques that they need in their everyday life to ensure their safety at all times.
 - 12) Open interactive session on "New Age Technologies as well as Eco System of Entrepreneurship" with MBA students from Georgetown University's McDonough School of Business, USA – March 2019
 - 13) Apart from the above we had festive and other celebrations throughout the year like Ganesh Chaturthi, Dassera Pooja, Laxmi Pooja, Christmas Celebration, Foundation Day, Family day, Picnic, Potluck Lunch, etc. This enhances cultural values, brings in spirit of togetherness, increases team spirit and boost employee morale.
 - 14) To keep our employees updated with the latest information in their respective field they participated in a series of Programmes/Workshops/Seminars/Conclave:
 - i) Indian Israel R&D and Technological Conclave – July 2018 – Delhi - organized by Confederation of Indian Industry (CII)
 - ii) Certificate course on Patent Drafting – Mumbai - October 2018 – organized by Bombay Chamber of Commerce & Industry
 - iii) Workshop of First Time Managers – November 2018 – Mumbai – organized by Bombay Chamber of Commerce & Industry
 - iv) Conference on Digital Agriculture Southern Region in Chennai – December 2018 – organized by CII
 - v) Shipping Conference JNPT Delegate Visit – December 2018 – organized by Bombay Chamber of Commerce & Industry

- vi) Business Luxury & Travel Mart (BLTM) – Delhi - January 2019 organized by Fair Fest Media Pvt. Ltd.
- vii) Iran Agro 2018 – Tehran - June-July -2018
- viii) 20th China International Agrochemical & Crop Protection Exhibition – Shanghai -March 2019
- ix) To explore business opportunities in Qatar – January 2019

Recognition:

- Recognition by **Insight Success Magazine in March 2019** in their Annual Listing of the **"10 Most Recommended Agritech Companies in India"** that **embraces new Technology to deliver various end-to-end farm solutions** on a reliable foundation of rich insights on farming.
- Felicitated by **Economic Times as one of the "Champions of Rural Markets 2018-19"** for having stood firm in the winds of globalization and having consistently served the rural market.
- For Fourteen consecutive years Aries Quality Management System was audited and certified as NS-EN ISO 9001:2015 with zero non-compliance report showing complete adherence to international quality standards.

Global Sourcing

Aries has sourced 51% of its total raw materials from overseas suppliers located in China, Belgium, Malaysia, UK, UAE, Taiwan and Germany. Imports constitute 22% of our total purchases and our Company has identified a pool of reliable overseas suppliers.

Cost Management

Though trade scheme as a percentage of sales increased by 0.13% overall profitability stood at 5.12% of Net sales, PAT increased by 5.29% compared to the previous Financial Year. Gross Sales margins (EBIDTA) improved from 18.41% to 19.81%, an increase of 7.89% over the previous year.

Man Power

The total Man Power of the Company increased from 868 to 924 during the year under review. Stringent norms has been set for performance appraisals and manpower costs were in line with pre-sanctioned budgets and funds are released only based on the progress of the season.

Global Distribution:

International clients are located in Nepal and Taiwan. Distributors in Nepal have put up their own manufacturing unit to support and increase sales and distribution network of Aries Products throughout Nepal.

Outlook:

2019 monsoons are expected to be near normal at 96% of LPA. The Company is hopeful of achieving good growth in revenues and profitability. The future of Aries, which is embarking on its golden jubilee year in 2019-20, is being charted by strengthening

its focus areas. The Company continued to conduct its digital flash sale this year with “App only” bookings leading to participation of 1431Nos. of dealers/distributors from all states with a total booking of Rs.510/-crores for 2019-20 and we envisage conversion of 75 - 80% of this order book and expect to achieve total gross revenue of Rs.408/-Crores. The current year will also see the introduction of specially designed formulations including major secondary and micronutrients namely Hortistar, Majorsol and crop specific formulations like Grapemin, Soymin and Canemin. Introduction of many innovations viz. effervescent tablets, nano-technology based nutrients, protected cultivation nutrition management, pure neem based products and drone spray guidelines for precision farming. We will be insisting on rapid digitization in many areas - sales force monitoring and reporting (using Aries inhouse app), online payment collection systems, Khazaana loyalty programme, Point-of-sale payment collection machines, inventory management and technical information sharing. We will be phasing out plastics and foil based packaging and adopting new-age environmentally sustainable packs, using dissolvable sachets, paper bags and flexible packaging for liquids. Starting a pilot with the new products being introduced and then moving our flagships and bestsellers into these new generation packs will move us towards the goal of being ‘zero non-recyclable plastics’ by December, 2020.

Raipur and Vijayawada will emerge as new manufacturing hubs for Aries. Raipur will also have our first in-house R&D farm and both these locations will have state-of-the-art training centres. Setting up these units will expand our operational capabilities

Segmentwise / Productwise Performance

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

RISK MANAGEMENT & INTERNAL CONTROLS

Risk Management

The Company has a Risk Management Policy.

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

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

Internal Control System

The Company has an extensive system of internal controls to ensure optimal utilization of resources and accurate reporting of financial transactions and strict compliance with applicable laws and

regulations. The Company has put in place sufficient systems to ensure that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are authorized, recorded and reported correctly.

Threats and Opportunities

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

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

Financial Performance:

The Company's Sales Turnover for the financial year ended March 31, 2019 increased to Rs. 32,030.91 Lakhs from Rs. 31,988.68 Lakhs in the previous year, reflecting an increase of 0.13%.

Total expenses for the year was Rs. 25,009.09 Lakhs as against Rs. 24,683.32 Lakhs in the previous year.

Profit Before Tax increased to Rs. 2,273.98 Lakhs during the year as against Rs. 2,177.29 Lakhs in the previous year.

Tax provision for the year was Rs. 784.18 Lakhs as against Rs. 762.40 Lakhs in the previous year which translates to 2.45 % on FY 18-19 Sales.

Profit After Tax for the year was Rs. 1,489.80 Lakhs as against Rs. 1,414.89 Lakhs in the previous year which is 5.62 % of FY 18-19 Net Sales.

Debtors Turnover(on Net Sales) for the year was 137 days as against 131 days in the previous year.

Inventory Turnover(on Net Sales) for the year was 179 days as against 175 days in the previous year.

Operating Profit Margin(on Net Sales) for the year was 19.81 % as against 18.41% in the previous year.

Net Profit Margin(on Net Sales) for the year was 5.62 % as against 5.35% in the previous year.

Resources and Liquidity:

As on March 31, 2019, the Net Worth of the Company stood at Rs. 15,679.80 Lakhs as against Rs. 14,619.29 Lakhs.

As on March 31, 2019, the Company had a Debt / Equity ratio of 1.03. The Company has not raised any Deposits from the public.

As on March 31, 2019, Interest Coverage Ratio was 1.92 as against 1.97 in the previous year.

As on March 31, 2019, Current Ratio was 1.41 as against 1.46 in the previous year.

DISCLOSURE OF ACCOUNTING TREATMENT

The Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 ("the Act") and other relevant provisions of the Act.

Human Resources:

As at the end of the financial year there were 924 employees under the permanent rolls and 190 plus under contract. We have an ongoing arrangement with few labour supplier organizations for our various locations.

We have 126 workers in our permanent employment and sizeable numbers on contract, working in our factories. The detailed breakup of the same is as under:

Sr. No.	Particular	Employees
1.	Skilled	24
2.	Semi-Skilled	8
3.	Unskilled	94
	Sub- Total	126
4.	Contract Labour	190
	TOTAL	316

The Department wise breakup of our manpower is as under:

Sr. No	Name of the Department	No. of Staff
1.	Directors	01
2.	Accounts, Personnel & Administration, Legal & Secretarial	177
3.	Production (Staff and Workers), R&D and Spray Dryer Operators	163
4.	Sales	583
	TOTAL	924

Health/ safety/Environment Sensitivity

Health through nutrition:

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

Environment Sensitivity:

- The Solar Power Generation System at its manufacturing unit in Hyderabad has generated 82176 units of power during the Financial Year 2018-19, of which 55685 units were consumed by the facility and the balance 26491 units were sold to the grid.
- All Aries products are based on the philosophy of "Use less chemicals and use safe chemicals" – low doses of chemically inert and cost effective nutrient complexes
- The entire range of Aries Chelates are environmentally safe

Non Polluting:

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

REPORT ON CORPORATE SOCIAL RESPONSIBILITY

CSR AT ARIES AGRO LIMITED

Aries continues its tradition of carrying out a range of activities that spread knowledge and adoption of farming best practices in the markets that Aries functions in. The Company has carried out a range of projects during the financial year 2018-19 in addition to some philanthropic activities.

FOCUS AREAS OF ENGAGEMENTS



Unique Programmes:

Aries Greencups

Aries greencups was an effort to introduce urban and semi urban kids to the concept of growing food. It was an unique concept of soil-less cultivation taught to the students and school faculty. A demo kit was distributed to give them a hands-on experience and a feedback was collected. The activity was performed in over 20 states benefiting 18,989 students. With astonishing response to this activity there was demand for more Aries Greencups from the schools who were not benefitted in the first phase.

Aries Water Wheel:

Aries Water Wheel is an endeavor to effectively deliver portable water over long distances. It is particularly useful in areas where portable water is scarce. In a single trip with the wheel, women can transfer 45litres of water which is 3-5 times more as compared to the traditional methods. This initiative by Aries helps women in rural areas to free-up time and hence engage in more fruitful activities to boost family income. 450 families and their neighborhoods were benefitted through this activity.

Farmers Call Centre:

The Company's Call Centre based in Vijayawada continued to provide answers to farmer's queries and provided direct interaction with consumers. During the year under review, 9,335 number of farmers called the call center at Vijayawada with queries on integrated nutrient management, pest management, soil health and postharvest management, etc were answered by the 6 call center executives. In addition, the Company has added call center numbers on all literature and promotional materials and is extending the reach of this call center to other states across India.

Spreading Knowledge:

- Aries' extension team continues to strongly advocate good agricultural practices in all states of India. The activities are conducted under the supervision of Agronomist and Agricultural Research Institutions throughout the year. During the year under review around 10,000 knowledge dissemination activities including farmers meeting were undertaken impacting 128,217 number of farmers. These sessions were conducted by team of 116 extension officials spread across 26 states.
- Farmers' meeting and training programmes on good agricultural practices were conducted at Andhra Pradesh, Chhattisgarh, Madhya Pradesh, Gujarat, Maharashtra, Gujarat, Karnataka, Rajasthan, Haryana, Uttar Pradesh, Himachal Pradesh, Punjab, Bihar, Odisha, Jharkhand, West Bengal, Tamil Nadu, Kerala and Jammu & Kashmir. The unique feature of these events have been that they had participation on a common intellectual platform from top government officials, opinion leaders, academia, research scholars, scientists, agribusiness students and farmers from across the states. These activities exposed farming community to latest plant nutrition concepts.

Scholarships:

- The Company also provided fees and scholarships to students from Our Lady of Perpetual Succour High School, Mumbai,
- Founder's Excellence Award in academics to meritorious children.
- In addition, amounts were distributed in R. A. Podar College of Commerce & Economics, Matunga, Mumbai as donations to the meritorious students in the Bachelor of Management Studies programme. The Company has been donating similarly since the last 17 years in the name of Aries' founder, Late Bala Mirchandani.

Flood / Drought Relief:

The Company in coordination with Confederation of Indian Industry (CII) transported relief materials to Kerala for distribution to the flood affected people. The relief material included: Blankets, Groceries, Medicines, Hygiene products, Footwear, etc. The staff also contributed upto a day's salary to the relief fund.

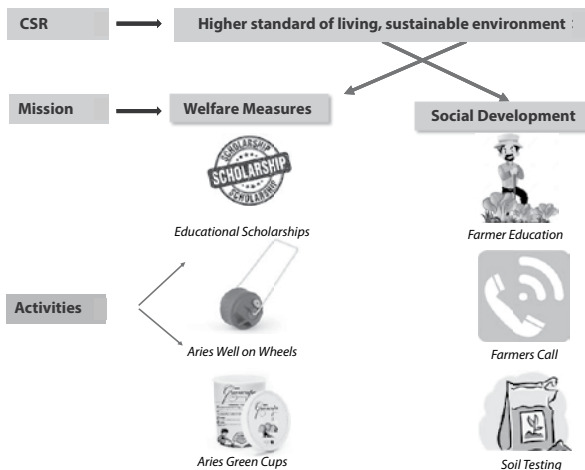
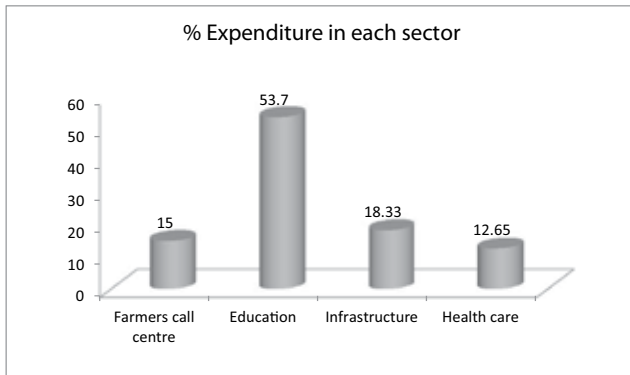
Soil Testing Services

The Company has organized during the year soil testing camps in North Karnataka, Andhra Pradesh and Telangana using Mobile Soil Testing Kits which analyse 10 parameters including pH, EC, NPK levels in soil, micro nutrient levels including Zinc, Ferrous, Boron, Organic Carbon, etc. Approximately 2817 Soil Health Cards were issued to farmers providing an additional service in order that they understand the specific nutrient needs of their farms.

Influencer Relations

During the year the Company represented at various industry bodies including Confederation of Indian Industry's Agricultural Council, Confederation of Indian Industry's Innovation Council,

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



CSR ACTIVITIES- IMPACT ANALYSIS	
BUSINESS STRATEGY	<ul style="list-style-type: none"> Growth in product range Increasing awareness amongst customers in balanced nutrition Expansion into unserved markets
CSR VISION	Farmers and their communities will have a higher standard of living in an environment that is healthy and sustainable.
MISSION	<ul style="list-style-type: none"> Welfare measures for employees & families. Social and Cultural Development by way of education and training, especially with regards to farming. Environmental sustainability
OBJECTIVES	<ul style="list-style-type: none"> Yearly achievable goals set in advance for each activity.
ACTIVITIES	<ul style="list-style-type: none"> Farmer's Education 128217 Distribution of Green cups to 18,989 students Academic Sponsorships to schools Support Services to schools Distribution of groceries, medicines, blanket, hygiene products for Kerala flood victims.
IMPACT	Aries with its extensive distribution network has so far impacted around 9.25 lakh farmers and the community at large through various initiatives taken up under our CSR activities
COMMUNICATION	<ul style="list-style-type: none"> Website Extension activities Social Media Training Programmes

CSR EXPENDITURE DURING THE YEAR 2018-19

Head of Expense	Amount (Rs.)
Education including farmers	1,828,531/-
Farmers Call Centre	520,898/-
Infrastructure Support	624,198/-
Health Care	430,896/-
TOTAL	3,404,523/-

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

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

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ARIES AGRO LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Aries Agro Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

Key Audit Matter	Auditor's Response
<p>Evaluation of uncertain tax positions</p> <p>The Company has material uncertain direct and indirect tax positions including matters under dispute which involves significant judgement to determine the possible outcome of these disputes.</p> <p>The Company has disclosed the contingent liabilities (to the extent not provided for) towards direct and indirect tax position.</p> <p>Refer Notes 5 (M) and 38 to the Standalone Financial Statement</p> <p>The Company undergo assessment proceedings from time to time with direct and indirect tax authorities. There is a high level of judgement required in estimating the level of provisioning and/or disclosure required.</p> <p>The management's assessment is supported by the advice from independent tax consultants and legal consultants, where considered necessary by the management. Accordingly, unexpected adverse outcome, if any, could impact significantly the company's reported profit and balance sheet position.</p>	<p>Principal Audit Procedures</p> <p>Obtained details of completed tax assessment and demands for the year ended March 31, 2019 from management. We involved company's legal and tax consultants to challenge the management's underlying assumptions in estimating the tax provision, liabilities and the possible outcome of the disputes. Company's legal and tax consultants also considered legal precedence and other ruling evaluating management's position on these uncertain tax positions. Additionally, we considered the effect of new information in respect of uncertain tax position as at April 1, 2018 to evaluate whether any change is required to management's position on these uncertainties.</p> <p>We did not identify any material exception as a result of above procedure relating to management's assessment of provisions.</p>

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of Auditor's Report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Management's Responsibility for the Standalone Financial Statements

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

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a

material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books (and proper returns adequate for the purpose of our audit have been received from branches not visited by us).
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". 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 the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Sandeep Sheth & Associates
Chartered Accountants
(Firm's Registration No. 120685W)

Date: 27th Day of May, 2019
Place: Mumbai

Sandeep Sheth
Proprietor
(Membership No.101903)

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

The Annexure referred to in our Independent Auditors’ Report to the members of the Company on the standalone financial statements for the year ended 31st March 2019, we report that:

- i. (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) These fixed assets were physically verified by the management at reasonable intervals. We have been informed that no material discrepancies were noticed on such physical verification.
- (c) According to the information and explanation given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the company.
- ii. According to the information and explanations provided to us, the stock of inventory has been physically verified during the period by the management at reasonable intervals. No material discrepancies were noticed on physical verification of stocks as compared to book records.
- iii. The Company has granted loans to parties covered in the Register maintained under Section 189 of the Act, 2013
 - (a) As per information and explanation provided to us, the rate of interest and other terms and conditions on which the loans granted by the Company to the bodies corporate listed in the register maintained under section 189 of the Act were not , prima facie, prejudicial to the interest of the company.
 - (b) As per information and explanation provided to us, in the case of loans granted by the company to the bodies corporate listed in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of principal and interest as stipulated wherever applicable.
 - (c) As per the information given by the management, there are no overdue amounts in respect of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act.
- iv. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, investments made.
- v. According to the information and explanations provided by the company, The Company has not accepted deposits from the public.
- vi. The Company has appointed a cost accountant firm to carry out the Cost Audit. We have reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2014 prescribed by the Central Government

under section 148 (1) of the Companies Act, 2013 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

- vii. (a) According to the information and explanations given to us and the records of the company examined by us, in our opinion, the company is generally regular in depositing statutory dues including Provident Fund, Employee State Insurance, Income Tax, Goods and Service Tax, Custom Duty, Cess and any other material statutory dues except occasional/ minor delays. As per the information given by the management and apparent from the records the undisputed liabilities as on 31st March 2019 is for a period exceeding six months from the date of it becoming payable is NIL.
- (b) Details of disputed liability in respect of tax dues on account of Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess together with the status and the Forum before which such dispute is pending as on 31st March 2019 is as per Annexure I.
- viii. The company has not defaulted in repayment of loans or borrowing to a financial institution, banks, or Government. The Company has not obtained any borrowings by way of issue of debentures.
- ix. According to the information and explanation provided to us, the company did not raise any money by way of initial public offering or further public offer (including debt instruments). The company has taken term loans which have been utilized for the purpose for which such loans were obtained.
- x. During the course of our examination of books and records of the company, carried out in accordance with generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the company or on the company by its officers or employees, noticed or reported during the year, nor we have been informed of any such case by the management.
- xi. According to the information and explanations given to us and based on our examination of the records of the company, the company has paid/provided for managerial remuneration in accordance with the requisites approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company,

transactions with the related parties are in compliance with sections 177 and 188 of the Act wherever applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

- xiv. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

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

For Sandeep Sheth & Associates
Chartered Accountants
(Firm's Registration No. 120685W)

Date: 27th Day of May, 2019
Place: Mumbai

Sandeep Sheth
Proprietor
(Membership No.101903)

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

Details of disputed statutory dues outstanding as on 31st March, 2019

Nature of Dues	Period to which payment relates	Forum where the dispute is pending	Particulars of Dispute	Tax Outstanding Rs.
Sales Tax (Lucknow)	2013-14	The Additional Commissioner – Grade II (Appeals), Commercial Tax, Lucknow (U.P.)	Disallowance of legitimate claim of goods return and levied VAT on Branch transfer and incorrect enhancement of sales turnover.	13,08,936
Sales Tax (Bihar)	2014-15	The Additional Commissioner of States Tax (Appeal), Patna West Circle, Patna.	Incorrect, Perverse and arbitrary disallowance of Tax Free / Exempted Sales, Levy of VAT on Transfers Inward of the Sprayers.	2,13,274
Sales Tax (Haryana)	2013-14	The Hon'ble High Court of Punjab and Haryana at Chandigarh	Incorrect and perverse orders on classification of Micronutrient fertilizers.	14,00,869
Sales Tax (Haryana)	2014-15	The Hon'ble High Court of Punjab and Haryana at Chandigarh	Incorrect and perverse orders on classification of Micronutrient fertilizers.	9,53,734
Sales Tax (Gujarat)	2012-13	Gujarat VAT Tribunal At Ahmedabad.	Reduction of ITC on consumption of fuel and branch transfers.	69,291
Sales Tax (Gujarat)	2013-14	Gujarat VAT Tribunal At Ahmedabad.	Reduction of ITC on consumption of fuel and branch transfers.	4,51,231
Sales Tax (Gujarat)	2014-15	Gujarat VAT Tribunal At Ahmedabad.	Reduction of ITC on consumption of fuel and branch transfers.	6,05,772
			Total	50,03,107
Income Tax	2008-09	Income Tax Appellate Tribunal, Mumbai	Disallowance of deduction u/s 35D	30,40,640
Income Tax	2009-10	Income Tax Appellate Tribunal, Mumbai	Disallowance of deduction u/s 35D	25,92,730
Income Tax	2010-11	Income Tax Appellate Tribunal, Mumbai	Disallowance of deduction u/s 35D	26,98,410
Income Tax	2011-12	Commissioner of Income Tax (Appeals) XXII, Mumbai	Disallowance of deduction u/s 35D	30,98,360
Income Tax	2013-14	Income Tax Appellate Tribunal, Mumbai	(1) Transfer Pricing adjustment (2) Disallowance u/s 2(24)(x) r.w.s 36(1)(va)	82,37,889
Income Tax	2014-15	Income Tax Appellate Tribunal, Mumbai	(1) Transfer Pricing adjustment (2) Disallowance u/s 2(24)(x) r.w.s 36(1)(va)	1,62,58,600
			Total	3,59,26,629
Central Excise & Customs	2011-12 & 2012-13	Central Excise & Service Tax Appellate Tribunal (CESTAT)	Classification of Goods Imported	29,91,582
Central Excise & Customs	March 2011 to October 2012	Central Excise & Service Tax Appellate Tribunal (CESTAT)	Classification of Goods Manufactured	3,81,04,558 + 3,81,04,558 (Penalty)
			Total	7,92,00,698

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

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

We have audited the internal financial controls over financial reporting of **Aries Agro Limited** (“the Company”) as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company 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 respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

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

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

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

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

Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, 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, 2019, 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 Sandeep Sheth & Associates

Chartered Accountants
(Firm’s Registration No. 120685W)

Sandeep Sheth

Proprietor

(Membership No.101903)

Date: 27th Day of May, 2019

Place: Mumbai

Balance Sheet as on 31st March, 2019

(Amounts in Rupees unless stated otherwise)

Particulars	Note Nos.	As at 31st March 2019	As at 31st March 2018
I. ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	6	383,290,813	338,835,164
(b) Intangible Assets	6	2,752,412	1,656,735
(c) Capital Work in Progress		145,216,316	136,194,330
(d) Financial Assets			
(i) Non-Current Investments	7	202,704,000	202,704,000
		733,963,541	679,390,229
(2) Current Assets			
(a) Inventories	8	1,297,868,174	1,271,478,514
(b) Financial Assets			
(i) Trade Receivables	9	993,220,106	948,601,826
(ii) Cash & Cash Equivalents	10	41,250,442	57,044,871
(iii) Other Bank Balances	11	41,841,506	43,049,161
(iv) Current Loans	12	837,952,148	562,602,351
(v) Other Current Financial Assets	13	1,638,311	1,762,669
(c) Other Current Assets	14	301,487,711	286,239,601
		3,515,258,398	3,170,778,993
TOTAL		4,249,221,939	3,850,169,222
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share Capital	15	130,043,390	130,043,390
(b) Other Equity	16	1,437,936,790	1,331,885,758
		1,567,980,180	1,461,929,148
(2) Non-Current Liabilities			
(a) Financial Liabilities			
Non Current Borrowings	17	132,694,137	164,247,637
(b) Non Current Provisions	18	20,561,290	9,203,027
(c) Deferred Tax Liabilities (Net)	19	38,612,684	45,187,376
		191,868,111	218,638,040
(3) Current Liabilities			
(a) Financial Liabilities			
(i) Current Borrowings	20	1,437,830,008	1,286,173,592
(ii) (a) Trade Payables - Total outstanding dues of Micro & Small Enterprises	21	81,740,659	-
(b) Trade Payables - Total outstanding dues of Creditors other than Micro & Small Enterprises		431,529,014	512,435,755
(iii) Other Current Financial Liabilities	22	46,646,736	44,559,072
(b) Other Current Liabilities	23	444,550,639	295,026,778
(c) Current Provisions	24	10,779,292	4,558,406
(d) Current Tax Liability (Net)	25	36,297,300	26,848,432
		2,489,373,648	2,169,602,034
TOTAL		4,249,221,939	3,850,169,222
Summary of Significant Accounting Policies	5		

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

As per our report of even date

For Sandeep Sheth & Associates
Chartered Accountants
Firm Registration No. 120685W

Sandeep Sheth
Proprietor
Membership No 101903

Place : Mumbai
Date : 27th May, 2019

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

Dr. Rahul Mirchandani
Chairman & Managing Director
DIN 00239057

Dr. Jimmy Mirchandani
Director
DIN 00239021

Mrs. Nitya Mirchandani
Director
DIN 06882384

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

Mr. C. B. Chhaya
Director
DIN 00968966

Mr. B.V. Dholakia
Director
DIN 01871816

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

Mr. Qaiser P. Ansari
Company Secretary & Senior VP (Legal)
Membership No. ACS-8979

Statement of Profit and Loss for the year ended 31st March, 2019

(Amounts in Rupees unless stated otherwise)

Particulars	Note Nos.	Year Ended 31st March, 2019	Year Ended 31st March, 2018
I. Revenue from Operations	26	3,203,090,983	3,198,867,959
Less :- Discount and Rebate		549,925,567	553,868,523
		2,653,165,416	2,644,999,436
II. Other Income	27	75,141,798	41,061,540
III. Total Revenue (I + II)		2,728,307,214	2,686,060,977
IV. Expenses :			
(a) Cost of Materials Consumed	28	648,338,521	753,689,340
(b) Cost of Products Traded	29	509,633,931	512,173,665
(c) (Increase) / Decrease in Inventories of Finished Goods	30	(10,454,381)	(57,945,785)
(d) Excise Duty on Sale of Goods	31	-	34,344,005
(e) Employee Benefits Expense	32	300,164,411	274,849,042
(f) Finance Costs	33	274,020,851	247,147,740
(g) Depreciation and Amortization	6	24,067,501	22,181,196
(h) Other Expenses	34	755,138,269	681,893,158
Total Expenses		2,500,909,103	2,468,332,360
V. Profit / (Loss) Before Tax - (III - IV)		227,398,111	217,728,616
VI. Tax Expense			
(a) Current Tax		80,900,000	68,700,000
(b) Adjustment of Tax relating to earlier periods		371,568	969,663
(c) Deferred Tax		(2,853,442)	6,569,958
Income Tax Expense		78,418,126	76,239,621
VII. Profit for the period - (V - VI)		148,979,985	141,488,996
VIII. Other Comprehensive Income			
(A) Items that will not be reclassified to Profit or Loss			
(i) Remeasurements of Defined Benefit Plans		(10,650,402)	1,104,283
(ii) Less :- Income Tax relating to Items that will not be reclassified to Profit or Loss		(3,721,250)	382,192
		(6,929,152)	722,091
IX. Total Comprehensive Income for the period (VII + VIII)		142,050,833	142,211,087
X. Earnings per Equity Share	35		
(1) Basic & Diluted		11.46	10.88
Summary of Significant Accounting Policies	5		

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

As per our report of even date

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

For Sandeep Sheth & Associates
Chartered Accountants
Firm Registration No. 120685W

Dr. Rahul Mirchandani
Chairman & Managing Director
DIN 00239057

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

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

Sandeep Sheth
Proprietor
Membership No 101903

Dr. Jimmy Mirchandani
Director
DIN 00239021

Mr. C. B. Chhaya
Director
DIN 00968966

Mr. Qaiser P. Ansari
Company Secretary & Senior VP (Legal)
Membership No. ACS-8979

Place : Mumbai
Date : 27th May, 2019

Mrs. Nitya Mirchandani
Director
DIN 06882384

Mr. B.V. Dholakia
Director
DIN 01871816

Statement of Changes in Equity for the year ended 31st March, 2019

Note No. 15

(Amounts in Rupees unless stated otherwise)

A	Equity Share Capital	Balance as at 31st March, 2018	Changes in Equity Share Capital during the year	Balance as at 31st March, 2019
	1,30,04,339 Equity Shares of Rs. 10/- each.	130,043,390	-	130,043,390

Note No. 16

(Amounts in Rupees unless stated otherwise)

B	Other Equity	Reserves & Surplus			Items of Other Comprehensive Income	Balance as at 31st March, 2019
		Securities Premium Reserve	General Reserve	Retained Earnings		
	Balance as at 1st April, 2018	490,037,050	102,956,310	745,675,918	(6,783,520)	1,331,885,758
	Add / (Less) : Profit / (Loss) for the year	-	-	148,979,985	(6,929,152)	142,050,833
	Add / (Less) : Dividend paid for F Y 2017-18	-	-	(29,910,833)	-	(29,910,833)
	Add / (Less) : Dividend Distribution Tax paid for F Y 2017-18	-	-	(6,088,968)	-	(6,088,968)
		-	-	112,980,184	(6,929,152)	106,051,032
	Balance as at 31st March, 2019	490,037,050	102,956,310	858,656,103	(13,712,672)	1,437,936,790
	Balance as at 1st April, 2017	490,037,050	102,956,310	635,490,356	(7,505,611)	1,220,978,104
	Add / (Less) : Profit / (Loss) for the year	-	-	141,488,996	-	141,488,996
	Add / (Less) : Dividend paid for F Y 2016-17	-	-	(26,008,678)	-	(26,008,678)
	Add / (Less) : Dividend Distribution Tax paid for F Y 2016-17	-	-	(5,294,755)	-	(5,294,755)
	Add / (Less) : Re-measurements of the net defined benefit plans	-	-	-	722,091	722,091
		-	-	110,185,563	722,091	110,907,654
	Balance as at 31st March, 2018	490,037,050	102,956,310	745,675,918	(6,783,520)	1,331,885,758

Dividend declared @ Rs. 1.80 per share for Financial Year 2018-19

Statement of Cash Flows for the year ended 31st March, 2019

(Amounts in Rupees unless stated otherwise)

Sr. No.	Particulars	Year Ended 31st March, 2019	Year Ended 31st March, 2018
A)	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit before tax as per Statement of Profit and Loss	227,398,111	217,728,616
	Adjusted for :		
	Depreciation and Amortisation Expense	24,067,501	22,181,196
	Loss on Sale of Assets (net)	1,747,717	29,783
	Interest Income	(62,368,148)	(41,036,472)
	Finance Costs	274,020,851	247,147,740
	Operating Profit before Working Capital Changes	464,866,032	446,050,863
	Adjusted for :		
	(Increase) / Decrease in Trade Receivables	(44,618,280)	(147,316,604)
	(Increase) / Decrease in Inventories	(26,389,660)	(122,422,811)
	Increase / (Decrease) in Trade Payables	833,918	215,895,581
	Increase / (Decrease) in Provisions & Other Current Liabilities	167,989,143	(14,935,947)
	Cash Generated from Operations	562,681,153	377,271,082
	Income Taxes (paid) / received (Net)	(81,271,568)	(69,669,663)
	Net Cash Flow from Operating Activities (A)	481,409,585	307,601,419
B)	CASH FLOW FROM INVESTING ACTIVITIES :		
	Purchase of Fixed Assets (Tangible Fixed Assets, Capital work in progress (WIP))	(82,810,534)	(100,918,857)
	Proceeds from Sale of Fixed Assets	2,422,000	25,000
	Investments in Long Term Investments	-	60,000
	Movement in Short Term Loans and Advances & Other Assets	(289,265,893)	(314,487,177)
	Interest Income	62,368,148	41,036,472
	Net Cash Flow from / (used in) Investing Activities (B)	(307,286,279)	(374,284,561)
C)	CASH FLOW FROM FINANCING ACTIVITIES:		
	Dividend Paid	(29,910,833)	(26,008,678)
	Tax on Dividend paid	(6,088,968)	(5,294,755)
	Non Current Borrowings (Net)	(31,553,500)	24,352,390
	Current Borrowings (Net)	151,656,416	325,648,676
	Finance Costs	(274,020,851)	(247,147,740)
	Net Cash (used in) / from financing activities (C)	(189,917,736)	71,549,893
	Net Increase in Cash and Cash Equivalents	(15,794,429)	4,866,751
	Opening Balance of Cash and Cash Equivalents	57,044,871	52,178,120
	Closing Balance of Cash and Cash Equivalents	41,250,442	57,044,871

NOTE : 1 The above statement has been prepared under the indirect method set out in Ind AS-7 " Statement of Cash Flows ".
2 Figures in the bracket indicate cash out flow.

As per our report of even date

For Sandeep Sheth & Associates
Chartered Accountants
Firm Registration No. 120685W

Sandeep Sheth
Proprietor
Membership No 101903

Place : Mumbai
Date : 27th May, 2019

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

Dr. Rahul Mirchandani
Chairman & Managing Director
DIN 00239057

Dr. Jimmy Mirchandani
Director
DIN 00239021

Mrs. Nitya Mirchandani
Director
DIN 06882384

Prof. R. S. S. Mani
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Mr. C. B. Chhaya
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Mr. B.V. Dholakia
Director
DIN 01871816

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

Mr. Qaiser P. Ansari
Company Secretary & Senior VP (Legal)
Membership No. ACS-8979

NOTES to the Financial Statements for the year ended 31st March, 2019

1. Corporate Information

Aries Agro Limited ('Aries' or the 'Company') was incorporated at Mumbai in 1969 for manufacturing of small range of mineral feed additives for animals & birds and then diversified into mineral additives for the agriculture use and currently is into business of manufacturing micronutrients and other nutritional products for plants and animals.

In January, 2007 the Company incorporated Aries Agro Care Private Limited as a Wholly Owned Subsidiary for carrying business in the Branch of agro protection, seeds, etc.

In January, 2007 the Company incorporated Aries Agro Equipments Private Limited as a Wholly Owned Subsidiary for carrying business in all type of farm equipments, machinery, etc.

In 2008 the Company acquired 75% Shares in Golden Harvest Middle East FZC, Sharjah, UAE, by virtue of which the said Golden Harvest Middle East FZC has become a Subsidiary of the Company. Golden Harvest Middle East FZC is in the business of trading plant nutrients.

In the year 2010 the Company's Overseas Subsidiary viz M/S Golden Harvest Middle East FZC acquired 75% Shares of M/S Amarak Chemicals FZC based in Fujairah Free Zone, UAE by virtue of which M/S Amarak Chemicals FZC has become a Step Down Subsidiary of Aries Agro Limited.

Aries Agro Limited is an Indian Multinational Company that offers the widest range of products in the primary, secondary and micro-fertilizer sector, ranging from individual elements to mixed specialty plant nutrient fertilizers. Since 1969, Aries has pioneered several innovative concepts of farming to Indian agriculturists, including the wonder of Chelation Technology, bio-degradable complexes of plant nutrients, water soluble NPK fertilizers, value added secondary nutrients, natural and biological products and water treatment formulations.

2. Basis of Preparation

These Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS), under the Historical Cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act 2013 (the Act) (to the extent notified) and guidelines issued by Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under section 133 of the Act read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Accounting policies have been consistently applied except where a newly issued Accounting Standard is initially adopted or a revision to an existing Accounting Standard requires a change in the Accounting Policy hitherto in use.

As the quarter and year, end figures are taken from the source and rounded to the nearest digits, the figures reported for the previous quarters might not always add up to the year figures reported in the statement.

2.1 Statement of Compliance

The Comparative Standalone Financial Statements comprising Balance Sheet, Statement of Profit and Loss (including other Comprehensive Income), Statement of Changes in Equity, Cash Flow Statement, together with the Notes to accounts along with a summary of the significant accounting policies and other explanatory information for the year ended 31st March 2019 have been prepared in accordance with the Ind AS as stated above.

2.2 Basis of Measurement - Historic Cost Convention

These Standalone Financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities that is measured at fair value (refer accounting policy regarding financial instruments);
- Defined benefit plans – plan assets measured at fair value

All assets and liabilities has been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

2.3 Functional and Presentation Currency

Items included in the Financial Statements of the entity are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). Indian Rupee is the Functional currency of the Company.

The Financial statements are presented in Indian Rupees, which is the Company's presentation currency.

NOTES to the Financial Statements for the year ended 31st March, 2019

2.4 Use of Estimates:

The preparation of Financial Statements in accordance with Ind AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the Balance Sheet and Statement of Profit and Loss. The actual amounts realized may differ from these estimates. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognized in the period in which the results are known / materialized and, if material, their effects are disclosed in the notes to the Financial Statements.

Estimates and assumptions are required in particular for :

(i) Determination of the estimated useful life of tangible assets and the assessment as to which components of the cost may be capitalized :

Useful life of tangible assets is based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful life is different from that prescribed in Schedule II, it is based on technical advice, taking into account the nature of the asset, estimated usage and operating conditions of the asset, past history of replacement and maintenance support. An assumption also needs to be made, when the Company assesses, whether an asset may be capitalized and which components of the cost of the asset may be capitalized.

(ii) Recognition and measurement of defined benefit obligations :

The obligation arising from the defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined with reference to market yields at the end of the reporting period on the government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

(iii) Recognition of deferred tax assets :

A Deferred tax asset is recognized for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized. The management assumes that taxable profits will be available while recognizing deferred tax assets.

(iv) Recognition and measurement of other provisions :

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in other provisions.

(v) Discounting of long-term financial liabilities :

All financial liabilities are required to be measured at fair value on initial recognition. In case of financial liabilities, which are required to be subsequently measured at amortized cost, interest is accrued using the effective interest method.

(vi) Determining whether an arrangement contains a lease :

At the inception of an arrangement, the Company determines whether the arrangement is or contains a lease. At the inception or on reassessment of an arrangement that contains a lease, the Company separates payments and other consideration required by the arrangement into those for the lease and those for the other elements based on their relative fair values. If the Company concludes for a finance lease that, it is impracticable to separate the payments reliably, then an asset and a liability are recognized at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognized using the Company's incremental borrowing rate. In case of operating lease, the Company treats all payments under the arrangement as lease payments.

3. Recent Accounting Pronouncement

Ind AS 116 Leases: On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and require lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of profit & loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors

NOTES to the Financial Statements for the year ended 31st March, 2019

- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application either by:

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:
 - Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or
 - An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application
- Certain practical expedients are available under both the methods.

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments: On March 30, 2019,

Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty Over income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax credits and tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition - i) Full retrospective approach—Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application i.e. April 1, 2019 without adjusting comparatives.

Amendment to Ind AS 12—Income taxes: On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes' in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019.

Amendment to Ind AS 19- plan amendment, curtailment or settlement- On march 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19 'Employee Benefits', in connection with accounting for plan amendments curtailments and settlements.

The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognize in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognized because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after 1 April 2019.

4. Current Versus Non-Current Classification :

- (i) The assets and liabilities in the Balance Sheet are based on current/ non – current classification. An asset is current when it is:
 1. Expected to be realized or intended to be sold or consumed in normal operating cycle.
 2. Held primarily for the purpose of trading.
 3. Expected to be realized within twelve months after the reporting period, or
 4. Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non - current.
- (ii) A liability is current when it is:
 1. Expected to be settled in normal operating cycle
 2. Held primarily for the purpose of trading
 3. Due to be settled within twelve months after the reporting period, or
 4. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are treated as non - current.

NOTES to the Financial Statements for the year ended 31st March, 2019

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

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents

5. Significant Accounting Policies

A) Plant, Property & Equipment :

All the Property, Plant and Equipments have been carried at value in accordance with the previous GAAP. The Company has elected these value as deemed cost at the date of transition to Ind AS.

Property, Plant & Equipment are stated at original cost net of tax/ duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. All costs, including finance costs incurred up to the date the asset is ready for its intended use.

When significant parts of property, plant and equipment are required to be replaced at intervals, the company derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly.

All the other repair and maintenance costs are recognised in the statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision is met.

Property, Plant & Equipment are eliminated from the financial statements either on disposal or when retired from active use. Losses arising in the case of retirement of property, plant and equipment and gains and losses arising from disposal of property, plant and equipment are recognised in the statement of profit and loss in the year of occurrence.

Subsequent expenditure related to an item of Property, Plant & Equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing Property, Plant & Equipment, including routine repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

The Company adjusts exchange differences arising on translation/ settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset.

Gains or losses arising from disposal of Plant, Property and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is disposed.

B) Depreciation & Amortization :

a) Depreciation on property, plant & equipment is provided on a straight-line basis over the useful life of assets as specified in schedule II to the companies Act, 2013. In case of Property, plant & Equipment that are added/ disposed off during the year depreciation is provided on pro-rata basis with reference to the month of addition/ deletion.

Leasehold improvements are being depreciated over the lease term or estimated useful life whichever is lower. Used assets acquired from third parties are depreciated on a straight-line basis over their remaining useful life of such assets.

b) Depreciation methods, useful life and residual values are reviewed at each reporting date and adjusted if appropriate.

C) Intangible Assets :

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over the irrespective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

The useful lives of intangible assets are assessed as either finite or infinite.

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is considered to modify the amortized period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with finite useful life are amortized over the useful economic life and assessed for impairment whenever there is any indication that the intangible asset may be impaired.

Intangibles with indefinite useful life, if any are not amortized, but are tested for impairment annually, either individually or at the cash generating unit level.

NOTES to the Financial Statements for the year ended 31st March, 2019

D) Impairment of Non-Current Assets :

As at each balance sheet date, the Company assesses whether there is an indication that an asset may be impaired and also whether there is an indication of reversal of impairment loss recognized in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, if any, the Company determines the recoverable amount and impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- In the case of an individual asset, at the higher of the fair value less cost to sell and the value in use; and
- In the case of cash generating unit (a group of assets that generate identified, independent cash flows), at the higher of cash generating unit's fair value less cost to sell and the value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the asset.

In determining fair value less cost disposal, recent market transaction are taken into account.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.

Intangible assets with indefinite useful lives are tested for impairment annually, as appropriate, and when circumstances indicate that the carrying value may be impaired.

E) Cash and Cash Equivalents :

Cash and cash equivalents comprise cash on hand and demand deposits with banks which are short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

F) Inventories and WIP:

Inventories are valued at the lower of cost and net realizable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

a) Raw materials and packing materials :

Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a first-in-first out basis. Customs duty on imported raw materials (excluding stocks in the bonded warehouse) is treated as part of the cost of the inventories. Raw material, store and spares: Cost on FIFO basis or net realizable value, whichever is lower.

b) Work-in-progress and finished goods :

Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty.

c) Traded goods :

Lower of cost and net realizable value. Cost includes the purchase price and other associated costs directly incurred in bringing the inventory to its present location. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

d) Waste and scrap are not separately valued being insignificant in value.

e) Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

G) Leases :

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

a) Operating Lease

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

NOTES to the Financial Statements for the year ended 31st March, 2019

b) Finance Lease

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

H) Retirement benefits :

Short Term Employee Benefits :

Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

Short - term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Post-Employment Benefits :

Defined Contribution Plans :

Retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss for the year when the contributions to the government funds are due. The Company has no obligation other than the contribution payable to provident fund authorities.

Defined Contribution Plans :

The employees' gratuity fund scheme is the Company's defined benefit plan. The present value of the obligation under the said defined benefit plan is determined on the basis of actuarial valuation from an independent actuary using the Projected Unit Credit Method.

The gratuity benefit of the Company is administered by a trust formed for this purpose through the group gratuity scheme.

Re-measurements comprising of actuarial gain and losses, the effect of the asset ceiling and the return on plan assets (excluding amount included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur.

Re-measurements are not re-classified to the statement of profit and loss in subsequent periods.

Past service cost is recognized in the statement of profit & loss in the period of plan amendment.

Net interest is calculated by applying the discounted rate to the net defined benefit liability or asset.

Other Long Term Employee Benefits :

The Company treats accumulated leave expected to be carried forward beyond 12 months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

I) Non-current assets held for sale :

Non Current assets are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use.

Non Current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

The criteria for held for sale/ distribution classification is regarded met only when the assets are available for immediate sale/ distribution in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated,
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,

NOTES to the Financial Statements for the year ended 31st March, 2019

- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale to owners are not depreciated or amortized.

J) Foreign Currency :

Functional and Presentation Currency

Consolidated financial statements have been presented in Indian Rupees (₹), which is the Group's functional currency and Group's presentation currency. Each entity in the Group determines its own functional currency (the currency of the primary economic environment in which the entity operates) and items included in the financial statements of each entity are measured using that functional Currency.

Transactions and Balances :

The transactions in foreign currency are accounted at the exchange rate i.e. custom rate prevailing on the date of transaction. Exchange fluctuation between the transaction date and settlement date in respect of transactions are transferred to exchange rate difference account and written off to the statement of profit & loss. Exchange difference that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income or expenses in the Statement of Profit and Loss in the period in which they arise.

Current assets and current liabilities involving transactions in foreign currency are converted at the exchange rates prevailing on the date of Balance Sheet. Any profit and loss arising out of such conversion is charged to the Statement of profit and loss.

Non-monetary items i.e. investments are converted at the rate prevalent on the date of transaction.

K) Financial Instruments :

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

1) Financial Assets :

(i) Classification

Financial Assets comprises of Investments in Equity and Debt securities, Trade Receivables, Cash and Cash equivalents, Borrowings and other Financial Assets.

(ii) Initial recognition measurement :

All financial assets is recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial Assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

(iii) Subsequent Recognition

a) Financial Assets measured at amortized cost

Financial assets are measured at amortized cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are measured at amortized cost using the effective interest rate (EIR) method.

The EIR amortization is recognized as finance income in the Statement of Profit and Loss.

Trade receivables

A receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less provision for impairment. For some trade receivables the Group may obtain security in the form of guarantee, security deposit or letter of credit which can be called upon if the counter party is in default under the terms of the agreement.

NOTES to the Financial Statements for the year ended 31st March, 2019

Impairment is made on the expected credit losses, which are the present value of the shortfalls over the expected life of financial assets. The estimated impairment losses are recognised in a separate provision account and the impairment losses are recognised in the Statement of Profit and Loss within other expenses.

For foreign currency trade receivable, impairment is assessed after reinstatement at closing rates.

Subsequent changes in assessment of impairment are recognised in provision for impairment and changes in impairment losses are recognised in the Statement of Profit and Loss within other expenses.

Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognised in the Statement of Profit and Loss within other expenses.

Subsequent recoveries of amounts previously written off are credited to other Income

b) Financial Assets measured at fair value through other comprehensive income (FVTOCI)

Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income.

c) Financial Assets measured at fair value through profit or loss (FVTPL)

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognized in profit or loss.

d) Investment in Subsidiary and Associates

Investment in equity instruments of Subsidiaries and Associates are measured at cost. Provision for Impairment loss on such investment is made only when there is a diminution in value of the investment, which is other than temporary.

e) Investment in Debt Instruments

A debt instrument is measured at amortized cost or at FVTPL. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit and loss.

(iv) De-recognition of Financial Assets:

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

2) Financial Liabilities:

(i) Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of loans, borrowings, and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, security deposits and other deposits.

(ii) Subsequent measurement:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity.

All other changes in fair value of such liability are recognised in the statement of profit or loss.

(iii) Loans and Borrowings :

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

NOTES to the Financial Statements for the year ended 31st March, 2019

(iv) Trade and Other Payables

A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent unpaid liabilities for goods and services provided to the Group till the end of financial year. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. Trade payables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest rate method.

(v) Derecognition of Financial Liabilities :

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

L) Borrowing Costs :

Borrowing costs that are directly attributable to acquisition, construction or production of a qualifying asset (net of income earned on temporary deployment of funds) are capitalised as a part of the cost of such assets. Borrowing cost consists of interest, other cost incurred in connection with borrowings of fund and exchange differences to the extent regarded as an adjustment to the borrowing cost. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

All other borrowing costs are charged to the Statement of Profit and Loss.

M) Taxes :

(a) Current Income Tax :

- (i) Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals.

Current tax comprises of the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of the previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

- has a legally enforceable right to set off the recognised amounts; and
- intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

- (ii) Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit & loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) Deferred Tax :

- (i) Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at the reporting date.
- (ii) The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax liabilities are always provided for in full. Deferred tax assets are recognized to the extent that it is probable that they will be able to be offset against future taxable income. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted at the balance sheet date.

Most changes in deferred tax assets or liabilities are recognized as a component of tax expense in the income statement. Only changes in deferred tax assets or liabilities that relate to a change in value of assets or liabilities that is charged directly to equity are charged or credited directly to equity.

NOTES to the Financial Statements for the year ended 31st March, 2019

(c) Sales / value added taxes :

Expenses and assets are recognised net of the amount of sales/ value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of tax included The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

(d) Minimum Alternate Tax :

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on "Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961", the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

N) Revenue Recognition :

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

The specific recognition criteria described below must also be met before revenue is recognized.

(a) Sale of products :

As stated in Ind AS 115, Revenue from sale of products is recognized when the entity transfers the control of goods and services to customers at an amount that the entity expects to be entitled. The Company collects Goods and Service Tax (GST) on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue. Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied net of discounts, returns etc. Ind As 115 is based on a five step model as mentioned below.

1. Identify the contract with customer
2. Identify the performance obligation
3. Determine the transactions price
4. Allocate transaction price

Recognize Revenue when (or as) performance obligations are satisfied.

(b) Other Income :

Interest Income

Interest income is recognized on accrual basis at applicable interest rates. For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payment or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial assets interest income is included in other income in the statement of profit & loss.

Dividend Income

Dividend income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

O) Dividend / Distribution :

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividend is approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognised directly in equity.

P) Earnings Per Share :

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an

NOTES to the Financial Statements for the year ended 31st March, 2019

equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares, that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

Q) Segment Reporting :

Identification of segments

The Company's operating businesses are organised and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and services to different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operates.

R) Provisions, Contingent Liabilities and Contingent Assets :

A provision is recognized if as a result of a past event the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are not recognized but disclosed in the Financial Statements when economic inflow is probable.

(a) Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if

- (i) the Company has a present obligation as a result of past event,
- (ii) a probable outflow of resources is expected to settle the obligation; and
- (iii) the amount of obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

(b) Contingent liabilities are disclosed in case of:

- (i) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation,
- (ii) a present obligation arising from past events, when no reliable estimate is possible,
- (iii) a possible obligation arising from past events where the probability of outflow of resources is not remote.

(c) Contingent assets are neither recognized nor disclosed.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions and Contingent Liabilities are recognized / disclosed after an evaluation of the facts and legal aspects and the amounts are reviewed on the Balance Sheet date.

S) Research & Development Expenditure:

Revenue expenditure pertaining to research is charged to statement of profit and loss. Development costs of products are charged to the statement of Profit and loss unless a product's technological and commercial feasibility has been established, in which case such expenditure is capitalized.

NOTES to the Financial Statements for the year ended 31st March, 2019

Note No. 6 - Property , Plant and Equipment and Intangible Assets

Particulars	PROPERTY, PLANT AND EQUIPMENT													INTANGIBLE ASSETS		Total
	Land	Buildings	Office Premises	Cylinders	Plant & Machinery	Electrical Installations	Laboratory Equipments	Office Equipments	Furniture & Fixtures	Air Conditioners	Computer	Vehicles	Commercial Vehicles	Total	Computer Software	
Gross Block																
As at 1st April, 2018	18,724,219	331,663,172	19,981,599	-	182,124,302	17,576,378	2,378,764	7,042,664	23,220,766	4,077,628	8,121,617	20,339,508	4,046,740	639,287,356	18,983,051	658,270,407
Add : Addition during the year	19,042,254	4,566,033	-	352,534	38,073,734	-	19,010	828,289	2,009,075	182,457	674,511	6,531,403	-	72,269,299	1,771,210	74,040,509
Less : Disposals / Impaired during the year	-	-	-	-	140,000	-	-	29,511	-	-	-	6,895,490	2,379,585	9,444,586	297,675	9,742,261
As at 31st March, 2019	37,766,473	336,209,205	19,981,599	352,534	220,058,035	17,576,378	2,397,774	7,841,442	25,229,841	4,260,086	8,796,128	19,975,421	1,667,155	702,112,069	20,456,586	722,568,655
Accumulated Depreciation																
As at 1st April, 2018	-	203,759,277	240,844	-	43,012,984	8,482,388	1,746,866	5,385,871	14,715,439	2,910,195	7,348,310	9,569,978	3,280,042	300,452,193	17,326,316	317,778,509
Add : Addition during the year	-	4,575,130	632,751	13,561	11,243,343	1,437,023	133,056	554,460	2,526,783	311,470	368,517	1,847,838	-	23,643,932	423,569	24,067,501
Less : Disposals / Impaired during the year	-	-	-	-	54,859	-	-	29,511	-	-	-	2,929,892	2,260,606	5,274,869	45,712	5,320,560
As at 31st March, 2019	-	208,334,407	873,595	13,561	54,201,469	9,919,411	1,879,921	5,910,820	17,242,222	3,221,664	7,716,826	8,487,924	1,019,436	318,821,256	17,704,174	336,525,430
Net carrying amount																
As at 31st March, 2019	37,766,473	127,874,798	19,108,004	338,973	165,856,567	7,656,968	517,853	1,930,622	7,987,619	1,038,421	1,079,301	11,487,496	647,719	383,290,813	2,752,412	386,043,225
As at 31st March, 2018	18,724,219	127,893,895	19,740,755	-	139,111,317	9,093,991	631,899	1,656,793	8,505,327	1,167,433	773,307	10,769,929	766,698	338,835,163	1,656,735	340,491,898
Gross Block																
As at 1st April, 2017	13,456,619	313,640,610	-	-	116,888,286	16,954,817	2,297,182	6,661,772	19,727,611	3,406,842	7,899,994	20,339,508	4,116,740	525,389,981	18,225,900	543,615,881
Add : Addition during the year	5,267,600	18,012,562	19,981,599	-	65,236,016	621,561	81,582	380,893	3,493,155	670,786	221,623	-	-	113,967,376	757,151	114,724,527
Less : Disposals / Impaired during the year	-	-	-	-	-	-	-	-	-	-	-	-	70,000	70,000	-	70,000
As at 31st March, 2018	18,724,219	331,653,172	19,981,599	-	182,124,302	17,576,378	2,378,764	7,042,664	23,220,766	4,077,628	8,121,617	20,339,508	4,046,740	639,287,356	18,983,051	658,270,407
Accumulated Depreciation																
As at 1st April, 2017	-	199,449,386	-	-	32,911,973	6,684,824	1,487,450	4,948,465	12,364,473	2,652,059	7,060,342	7,704,253	3,295,259	278,558,483	17,054,047	295,612,530
Add : Addition during the year	-	4,309,891	240,844	-	10,101,011	1,797,564	259,416	437,407	2,350,966	258,136	287,967	1,865,725	-	21,908,927	272,269	22,181,196
Less : Disposals / Impaired during the year	-	-	-	-	-	-	-	-	-	-	-	-	15,217	15,217	-	15,217
As at 31st March, 2018	-	203,759,277	240,844	-	43,012,984	8,482,388	1,746,866	5,385,871	14,715,439	2,910,195	7,348,309	9,569,978	3,280,042	300,452,193	17,326,316	317,778,509
Net carrying amount																
As at 31st March, 2018	18,724,219	127,893,895	19,740,755	-	139,111,317	9,093,991	631,899	1,656,793	8,505,327	1,167,433	773,308	10,769,929	766,698	338,835,164	1,656,735	340,491,898
As at 31st March, 2017	13,456,619	114,191,224	-	-	83,976,313	10,269,993	809,733	1,713,307	7,363,139	754,783	839,652	12,635,254	821,481	246,831,498	1,171,853	248,003,351

NOTES :

6.1 In accordance with the Ind AS 36 "Impairment of Assets", the management has during the year carried out and exercise of identifying the assets that would have been impaired in respect of each cash generating unit. On the basis of this review carried out by the Management, there was no impairment loss on Assets during the year.

NOTES to the Financial Statements for the year ended 31st March, 2019

(Amounts in Rupees unless stated otherwise)

7 NON-CURRENT INVESTMENTS		As at 31st March, 2019		As at 31st March, 2018	
(Unquoted and fully paid up)					
A) Equity Shares	No. of Shares	Face Value (Rs)		No. of Shares	Face Value (Rs)
(i) Subsidiary Companies (at Cost)					
(a) Aries Agro Care Pvt Ltd	10000	10	100,000	10000	10
(b) Aries Agro Equipments Pvt Ltd	10000	10	100,000	10000	10
(c) Golden Harvest Middle East FZC	1125	AED 100	1,227,375	1125	AED 100
			1,427,375		
(ii) Other Investment (at Cost)					
(a) Aries Agro Produce Pvt Ltd	1500	10	15,000	1500	10
			15,000		
			1,442,375		
B) Share Application Money					
(i) Subsidiary Companies					
(a) Golden Harvest Middle East FZC			201,261,625		
			202,704,000		

- 7.1 Aries Agro Care Pvt. Ltd. has been incorporated as a wholly owned subsidiary on 5th January, 2007 with the Registrar of Companies, Maharashtra, Mumbai. to carry on the business in all branches of agro protection, agro care, etc. The Registered Office of the Company is located at "Aries House, Plot no 24, Deonar, Govandi (E), Mumbai – 400 043".
- 7.2 Aries Agro Equipments Pvt. Ltd. has been incorporated as a wholly owned subsidiary on 12th January, 2007 with the Registrar of Companies, Maharashtra, Mumbai. to carry on the business of manufacturing, repair, etc. of all types of rural and farm equipments, machinery, etc. The Registered Office of the Company is located at "Aries House, Plot no 24, Deonar, Govandi (E), Mumbai – 400 043".
- 7.3 Golden Harvest Middle East FZC was incorporated on 31st December, 2004 as a Free Zone Company with limited liability to carry on the activities of manufacturing Chemical Fertilizer and exporting all the necessities, material and acts related to its natural work or needed to the above mentioned works. In the year 2008 it became 75% subsidiary of the Company, Aries Agro Limited. The Registered Office of the Company is located at " SAIF Zone (Emirates of Sharjah)". The licence has since been converted into a trading licence effective from 7th December, 2016.
- 7.4 Aries Agro Produce Pvt. Ltd. has been incorporated on 20th June, 2008 as 75% owned subsidiary with the Registrar of Companies, Maharashtra, Mumbai. to carry out the business of all kinds of Farming, agriculture, horticulture etc. and to plant, grow, cultivate and in any other way deal in farming and agricultural produce. The registered office of the Company is located at "Aries House, Plot no 24, Deonar, Govandi (E), Mumbai – 400 043".
- 7.5 The Company sold majority of shareholding in its subsidiary Aries Agro Produce Private Limited on 3rd April, 2017. Hence Aries Agro Produce Private Limited has ceased to be a subsidiary of the Company w.e.f. 3rd April, 2017.
- 7.4 Losses of Subsidiaries not provided in accounts :

Particulars	Year Ended 31st March 2019		Year Ended 31st March 2018	
	Accumulated	Current Year	Accumulated	Current Year
Aries Agro Care Pvt. Ltd.	(3,053,372)	(242,229)	(2,811,143)	(44,678)
	(3,053,372)	(242,229)	(2,811,143)	(44,678)

NOTES to the Financial Statements for the year ended 31st March, 2019

(Amounts in Rupees unless stated otherwise)

8 INVENTORIES	As at 31st March, 2019	As at 31st March, 2018
(At lower of cost or Net Realisable Value) (As Certified and valued by the Management)		
Raw Materials	322,948,733	298,879,493
Finished Goods	816,417,856	805,963,475
Stock-in-Trade (in respect of Goods acquired for Trading)	70,291,292	67,781,280
Packing Materials	88,210,293	98,854,266
Total	1,297,868,174	1,271,478,514

9 TRADE RECEIVABLES	As at 31st March, 2019	As at 31st March, 2018
Unsecured		
Considered Good	993,220,106	948,601,826
Total	993,220,106	948,601,826

9.1 Ageing of Trade Receivables

Particulars	Ageing		Total
	More than 6 months	Less than 6 months	
As at 31st March, 2019			
Unsecured			
Considered Good	20,486,156	972,733,950	993,220,106
Gross Total	20,486,156	972,733,950	993,220,106
As at 31st March, 2018	58,962,725	889,639,100	948,601,826

9.2 Trade Receivables includes Amount due from Related Parties

Particulars	Maximum balance during the year	As at 31st March 2019	Maximum balance during the year	As at 31st March 2018
Amarak Chemicals	11,455,715	11,455,715	10,786,857	10,786,857
		11,455,715		10,786,857

9.3 Trade Receivables are non-interest bearing and receivable in normal operating cycle

10 CASH AND CASH EQUIVALENTS	As at 31st March 2019	As at 31st March, 2018
Balance with Banks in Current Accounts	41,230,119	57,028,090
Cash on hand	20,323	16,781
Total	41,250,442	57,044,871

NOTES to the Financial Statements for the year ended 31st March, 2019

(Amounts in Rupees unless stated otherwise)

11 OTHER BANK BALANCES	As at 31st March 2019	As at 31st March, 2018
Fixed Deposits with Banks held as Margin Money (Maturity less than One Year)	38,893,203	40,199,237
Unclaimed Dividend Accounts	2,948,303	2,849,924
Total	41,841,506	43,049,161

11.1 Fixed Deposits are kept as Margin against various Credit Limits / Guarantees

12 CURRENT LOANS	As at 31st March 2019	As at 31st March, 2018
(Unsecured and Considered Good)		
Loans to Related Parties	836,739,547	561,289,169
Loans to Employees	1,212,601	1,313,182
	837,952,148	562,602,351

12.1 Loan given to Subsidiaries / Associates :

Company Name	Maximum balance during the year	As at 31st March 2019	Maximum balance during the year	As at 31st March, 2018
Golden Harvest Middle East FZC	836,739,547	836,739,547	561,289,169	561,289,169
(For general corporate purpose of the Subsidiary)	836,739,547	836,739,547	561,289,169	561,289,169

12.2 Refer Note No. 37 for details of Advances to Related Parties

13 OTHER CURRENT FINANCIAL ASSETS	As at 31st March 2019	As at 31st March, 2018
(Unsecured and Considered Good)		
Interest Accrued but not due	1,638,311	1,762,669
	1,638,311	1,762,669

13.1 Interest Accrued but not due includes Interest accrued on various Fixed Deposits with Banks

14 OTHER CURRENT ASSETS	As at 31st March 2019	As at 31st March, 2018
(Unsecured and Considered Good)		
Advances to Related Parties	-	12,321,761
Other Advances	293,614,381	266,248,433
Security Deposits	7,873,330	7,669,408
Total	301,487,711	286,239,601

14.1 Advances given to Subsidiaries / Associates :

Company Name	Maximum balance during the year	As at 31st March 2019	Maximum balance during the year	As at 31st March, 2018
Amarak Chemicals FZC	12,321,761	-	31,274,773	12,321,761
	12,321,761	-	31,274,773	12,321,761

- All the above Advances are interest free
- Other terms and conditions on which such advances are given to the Companies are not prejudicial to the interest of the Company.

NOTES to the Financial Statements for the year ended 31st March, 2019

(Amounts in Rupees unless stated otherwise)

14.2 Refer Note No. 37 for details of Advances to Related Parties

14.3 Other Advances includes :

Particulars	As at 31st March 2019	As at 31st March, 2018
(a) Balances with Taxation Authorities	58,321,612	31,258,718
(b) Advance to Suppliers	232,852,934	232,160,529
(c) Advance to Staff against expenses	128,800	156,036
(d) Imprest Advance for Vehicle Expenses	122,475	204,137
(e) Prepaid Expenses	2,188,560	2,469,013
	293,614,381	266,248,433

15 EQUITY SHARE CAPITAL	As at 31st March 2019	As at 31st March, 2018
Authorised		
1,50,00,000 Equity Shares of Rs. 10/- each	150,000,000	150,000,000
	150,000,000	150,000,000
Issued, Subscribed and Fully Paidup		
1,30,04,339 (31st March, 2018 1,30,04,339) Equity Shares of Rs. 10/- each.	130,043,390	130,043,390
	130,043,390	130,043,390

15.1 Reconciliation of the number of **Equity Shares** :

Particulars	As at 31st March 2019	As at 31st March, 2018
Shares outstanding at the beginning of the year	13,004,339	13,004,339
Shares outstanding at the end of the year	13,004,339	13,004,339

15.2 List of Shareholder's holding more than 5 % Shares in the Company :

Name of the Shareholders	As at 31st March 2019		As at 31st March, 2018	
	No of Shares	% of Holding	No of Shares	% of Holding
(i) Dr. Jimmy Mirchandani	3,344,830	25.72%	3,434,830	26.41%
(ii) Dr. Rahul Mirchandani	2,803,221	21.56%	2,713,221	20.86%
Total	6,148,051	47.28%	6,148,051	47.28%

16 OTHER EQUITY

- 16.1 **Securities Premium Reserve** : represents the amount received in excess of par value of securities i.e equity shares. Premium on redemption of securities is accounted in security premium available. Where security premium is not available, premium on redemption of securities is accounted in statement of profit and loss. Section 52 of Companies Act, 2013 specify restriction and utilisation of security premium.
- 16.2 **General Reserve** : represents the statutory reserve, this is in accordance with Indian Corporate law wherein a portion of profit is apportioned to general reserve. Under Companies Act, 1956 it was mandatory to transfer amount before a Company can declare dividend, however under Companies Act, 2013 transfer of any amount to General reserve is at the discretion of the Company.
- 16.3 **Retained Earnings** : represent the undistributed profits of the Company
- 16.4 **Other Comprehensive Income Reserve** : represent the balance in equity for items to be accounted in Other Comprehensive Income. Other Comprehensive Income is classified into i) items that will not be reclassified to profit and loss, ii) items that will be reclassified to profit and loss.

NOTES to the Financial Statements for the year ended 31st March, 2019

(Amounts in Rupees unless stated otherwise)

17	NON - CURRENT BORROWINGS	As at 31st March 2019	As at 31st March, 2018
	Secured Term Loans		
	Term Loans from Banks	29,368,765	46,748,835
		29,368,765	46,748,835
	Un-Secured Term Loans		
	Term Loans from Banks / NBFC's	103,325,372	117,498,802
		103,325,372	117,498,802
	Total	132,694,137	164,247,637

17.1 Secured Term Loans from Banks referred above to the extent of :

Sr. No.	Particulars	As at 31st March 2019	As at 31st March, 2018
(a)	Secured by way of Charge on the Company's Motor Vehicles.	5,857,490	4,117,229
(b)	Secured by way of Primary Charge on Office Premises at Vastrapur, Gujarat.	6,215,275	8,054,606
(c)	Secured by way of Primary Charge on Land and Building at Moje Rajpur, Gujarat.	17,296,000	34,577,000
		29,368,765	46,748,835

17.2 Un-Secured Term Loans from Banks are secured by way of Charge on personal Assets of Directors and guaranteed by the Directors.

17.3 Maturity Profile of Term Loans are as set out below :

Sr. No.	Financial Years	Secured Term Loans from Banks	Un-Secured Term Loans from Banks	Total
(a)	2019-20	23,355,327	19,173,430	42,528,757
	Sub-Total	23,355,327	19,173,430	42,528,757
(b)	2020-21	21,419,432	21,662,304	43,081,736
(c)	2021-22	3,509,992	21,274,337	24,784,329
(d)	2022-23 & Above	4,439,341	60,388,731	64,828,072
	Sub-Total	29,368,765	103,325,372	132,694,137
	Total	52,724,092	122,498,802	175,222,894

17.4 Rs.4,25,28,757/- is shown in Current Maturities (On 31st March, 2018 Rs. 4,03,82,134/-.)

18	NON CURRENT PROVISIONS	As at 31st March 2019	As at 31st March, 2018
	Provision for Employee Benefits (Refer Note No. 32)		
	Gratuity	-	46,352
	Leave Salary	19,830,999	8,462,030
	One Time Incentive	730,291	694,645
	Total	20,561,290	9,203,027

NOTES to the Financial Statements for the year ended 31st March, 2019

(Amounts in Rupees unless stated otherwise)

19	DEFERRED TAX LIABILITY	As at 31st March 2019	As at 31st March, 2018
A	Deferred Tax Liability		
	Related to Fixed Assets : Difference between Depreciation charged for Financial Reporting and Depreciation as per Income Tax	51,923,658	49,514,945
	Other Comprehensive Income	(3,721,250)	382,192
B	Gross Deferred Tax Liability	48,202,408	49,897,137
	Gross Deferred Tax Asset		
	Disallowance under the Income Tax Act, 1961 U/s 43B	9,589,724	4,709,761
		9,589,724	4,709,761
C	Net Deferred Tax Liability (A-B)	38,612,684	45,187,376
20	CURRENT BORROWINGS	As at 31st March 2019	As at 31st March, 2018
	Secured Borrowings		
	Working Capital Facilities from Banks		
	Cash Credits / Working Capital Demand Loan	1,292,830,008	1,166,478,256
	Buyers Credits	-	119,695,336
		1,292,830,008	1,286,173,592
	Un-Secured Borrowings		
	Working Capital Demand Loan from Companies / NBFCs	70,000,000	-
	Short Term Loan from Companies / NBFC's	75,000,000	-
		145,000,000	-
	Total	1,437,830,008	1,286,173,592
20.1	Working Capital Facilities from Banks are secured by way of Charge on Company's Inventories, Book Debts, Charge on Land, Building, Plant & Machinery and all other movable fixed assets of the Company and guaranteed by Directors.		
20.2	Un-Secured Borrowings from Companies / NBFCs are secured by way of personal guarantee of Directors.		
21	TRADE PAYABLES	As at 31st March 2019	As at 31st March, 2018
	(a) Trade Payables - Total outstanding dues of Micro & Small Enterprises	81,740,659	-
	(b) Trade Payables - Total outstanding dues of Creditors other than Micro & Small Enterprises	431,529,014	512,435,755
	Total	513,269,673	512,435,755
21.1	All Trade Payables are non-interest bearing and payable or settled within normal operating cycle of the Company.		
22	OTHER CURRENT FINANCIAL LIABILITIES	As at 31st March 2019	As at 31st March, 2018
	Current Maturities of Long Term Debt	42,528,757	40,382,134
	Interest Accrued but not due on Borrowings	1,169,676	1,327,014
	Unclaimed Dividend	2,948,303	2,849,924
	Total	46,646,736	44,559,072

NOTES to the Financial Statements for the year ended 31st March, 2019

(Amounts in Rupees unless stated otherwise)

22.1 Current Maturities of Long Term Debt includes amount repayable within one year of :

Sr. No.	Particulars	As at 31st March 2019	As at 31st March, 2018
(a)	Secured Term Loans from Banks	23,355,327	25,339,405
(b)	Un-Secured Term Loans from Banks / NBFC's	19,173,430	15,042,729
		42,528,757	40,382,134

22.2 Secured Term Loans from Banks included in Current Maturities of Long Term Debt to the extent of :

Sr. No.	Particulars	As at 31st March 2019	As at 31st March, 2018
(a)	Secured by way of Charge on the Company's Motor Vehicles.	2,663,996	3,236,487
(b)	Secured by way of Primary Charge on Office Premises at Vastrapur, Gujarat.	1,839,331	1,679,918
(c)	Secured by way of Primary Charge on Land and Building at Moje Rajpur, Gujarat.	18,852,000	20,423,000
		23,355,327	25,339,405

22.3 Un-Secured Term Loans from Banks / NBFC's included in Current Maturities of Long Term Debt to the extent of Rs. 191,73,430/- (31st March, 2018, Rs. 1,50,42,729/-) are secured by way of Charge on personal Assets of Directors and guaranteed by the Directors.

22.4 Unclaimed Dividend do not include any amounts, due and outstanding, to be credited to Investor Education and Protection Fund.

23 OTHER CURRENT LIABILITIES	As at 31st March 2019	As at 31st March, 2018
Accrued Salaries and Benefits	95,607,049	88,687,238
Advances / Credits from Customers	188,971,354	27,957,868
Dues to Directors	4,207,877	8,566,013
Security Deposits	89,180,745	84,154,056
Statutory Dues	19,030,889	8,699,768
Other Payables	47,552,725	76,961,836
Total	444,550,639	295,026,778

23.1 Statutory Dues includes Goods & Service Tax, Tax Deducted at Source, Tax Collected at Source, ESIC, Provident Fund and Profession Tax.

23.2 Other Payables includes mainly Staff Expense Claims and Provision for Expenses.

24 CURRENT PROVISIONS	As at 31st March 2019	As at 31st March, 2018
Provision for Employee Benefits		
Gratuity	3,894,320	106,988
Leave Salary	6,653,348	4,206,656
One Time Incentive	231,624	244,762
Total	10,779,292	4,558,406

25 CURRENT TAX LIABILITY (NET)	As at 31st March 2019	As at 31st March, 2018
Provision for Income Tax (Net of Advance Tax / TDS)	36,297,300	26,848,432
Total	36,297,300	26,848,432

NOTES to the Financial Statements for the year ended 31st March, 2019

(Amounts in Rupees unless stated otherwise)

26	REVENUE FROM OPERATIONS	Year Ended 31st March, 2019	Year Ended 31st March, 2018
	Sales of Products	3,203,090,983	3,198,867,959
	Less:- Discounts / Rebates	549,925,567	553,868,523
	Total	2,653,165,416	2,644,999,436

26.1 Particulars of Sale of Products :

Sr. No.	Particulars	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Manufactured Products			
(a)	Agricultural Micronutrient and Speciality Fertilizers	2,121,288,102	2,299,427,061
(b)	Insecticides and Pesticides	221,462,043	239,262,044
(c)	Animal Feed and Feed Concentrates	89,509,156	14,140,168
(d)	Others	3,873,718	5,404,785
		2,436,133,019	2,558,234,058
Traded Products			
(a)	Agricultural Micronutrient and Speciality Fertilizers	766,957,964	640,613,823
(b)	Agri Equipments	-	20,078
		766,957,964	640,633,901
		3,203,090,983	3,198,867,959
	Less:- Discounts / Rebates	549,925,567	553,868,523
		2,653,165,416	2,644,999,436

27	OTHER INCOME	Year Ended 31st March, 2019	Year Ended 31st March, 2018
	Interest Income on :		
	Bank Fixed Deposits	2,600,408	2,680,959
	Others	59,767,740	38,355,514
	Other Non-Operating Income		
	Misc. / Other Income	203,161	25,068
	Net Gain / (Loss) on Foreign Currency Transaction and Translation	12,570,489	-
	Total	75,141,798	41,061,540

28	COST OF MATERIALS CONSUMED	Year Ended 31st March, 2019	Year Ended 31st March, 2018
1)	Opening Stock of Raw Materials	298,879,493	259,370,367
	Add : Purchases	516,973,508	598,729,139
		815,853,001	858,099,506
	Less : Closing Stock of Raw Materials	322,948,733	298,879,493
	Raw Material Consumed	492,904,268	559,220,013
2)	Opening Stock of Packing Materials	98,854,266	85,755,527
	Add : Purchases	144,790,280	207,568,066
		243,644,546	293,323,593
	Less : Closing Stock of Packing Materials	88,210,293	98,854,266
	Packing Materials Consumed	155,434,253	194,469,327
	Consumption of Materials (1+2)	648,338,521	753,689,340

NOTES to the Financial Statements for the year ended 31st March, 2019

(Amounts in Rupees unless stated otherwise)

29	COST OF PRODUCTS TRADED	Year Ended 31st March, 2019	Year Ended 31st March, 2018
	Opening Stock of Traded Products	67,781,280	55,912,119
	Add :- Purchases of Traded Products	512,143,943	524,042,826
		579,925,223	579,954,945
	Closing Stock of Traded Products	70,291,292	67,781,280
	Cost of Products Traded	509,633,931	512,173,665
30	(INCREASE) / DECREASE IN INVENTORIES OF FINISHED GOODS	Year Ended 31st March, 2019	Year Ended 31st March, 2018
	Inventories at the beginning of the year		
	Finished Goods	805,963,475	748,017,690
		805,963,475	748,017,690
	Inventories at the end of the year		
	Finished Goods	816,417,856	805,963,475
	(Increase) / Decrease in Inventories	(10,454,381)	(57,945,785)
31	EXCISE DUTY ON SALE OF GOODS	Year Ended 31st March, 2019	Year Ended 31st March, 2018
	Excise Duty on Sale of Goods	-	34,344,005
	Total	-	34,344,005
32	EMPLOYEE BENEFIT EXPENSES	Year Ended 31st March, 2019	Year Ended 31st March, 2018
	Salaries, Wages and Allowances	242,111,606	213,057,315
	Directors Remuneration	18,953,000	18,944,938
	Contribution to Provident & Other Funds	31,513,630	36,427,205
	Staff Welfare Expenses	7,586,175	6,419,583
	Total	300,164,411	274,849,042

32.1 As per Ind AS 19 “Employee Benefits”, the disclosure of employee benefits as defined in the Indian Accounting Standard (Ind AS) are given below :

Particulars	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Expense recognised for Defined Contribution Plan		
Company's contribution to Provident Fund	24,166,721	21,388,920
	24,166,721	21,388,920

All Permanent Employees having served from the 1st day of their employment are entitled to the benefits of the contribution to Provident Fund.

The Company contributes specified percentage of the salary paid to Employees to the Defined Fund.

Defined Benefit Plan

All Employees who have completed five years or more of service are entitled to benefits of Gratuity. The Company has the Employee's Group Gratuity scheme managed by Life Insurance Corporation of India which is a Defined Benefit Plan. The Employees Leave Encashment scheme, which is a Defined Benefit Plan is unfunded.

Below table sets forth the changes in the projected benefit obligation and plan assets and amounts recognised in the Standalone Balance Sheet as at 31st March, 2019 and 31st March, 2018, being the respective measurement dates :

NOTES to the Financial Statements for the year ended 31st March, 2019

(Amounts in Rupees unless stated otherwise)

I Reconciliation of opening and closing balances of the Present Value of the Defined Benefit Obligation

Particulars	Gratuity		Leave Encashment		OneTime Incentive	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Present Value of Defined Benefit obligation at the beginning of the year	64,799,140	63,714,438	12,668,686	11,278,941	939,407	2,065,040
Current Service Cost	5,821,178	5,582,095	9,855,579	2,098,980	54,486	111,268
Interest Cost	4,377,784	3,923,613	962,820	620,759	62,094	124,535
Actuarial (gain) / loss	3,548,754	(2,628,290)	6,710,022	2,641,611	15,928	(1,025,436)
Past Service Cost	-	5,775,792	-	-	-	-
Benefits paid	(6,536,240)	(11,568,508)	(3,712,760)	(3,971,605)	(110,000)	(336,000)
Present Value of Defined Benefit obligation at the end of the year	72,010,616	64,799,140	26,484,347	12,668,686	961,915	939,407

II Reconciliation of opening and closing balances of the Fair Value of the Plan Assets

Particulars	Gratuity	
	As at 31st March, 2019	As at 31st March, 2018
Fair Value of Plan Assets at the beginning of the year	64,645,800	54,271,242
Interest Income	4,587,335	3,457,963
Return on plan assets excluding amounts included in Interest Income	(375,698)	92,168
Contributions	5,795,099	18,392,935
Benefits paid	(6,536,240)	(11,568,508)
Actuarial gain / (loss)	-	-
Fair value of Plan Assets at the end of the year	68,116,296	64,645,800

III Expenses recognised in Profit and Loss

Particulars	Gratuity		Leave Encashment		One Time Incentive	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Current Service Cost	5,821,178	5,582,095	9,855,579	2,098,980	54,486	111,268
Past Service Cost and loss / (gain) on curtailments and settlement	-	5,775,792	-	-	-	-
Interest Cost	(209,551)	465,650	962,820	620,759	62,094	124,535
Net Cost recognised in Statement of Profit and Loss	5,611,627	11,823,537	10,818,399	2,719,739	116,580	235,803

IV Expenses recognised in Other Comprehensive Income

Particulars	Gratuity		Leave Encashment		One Time Incentive	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Components of actuarial gain / losses on obligations :						
Due to change in financial assumptions	841,036	(3,052,638)	282,389	(505,016)	6,911	(28,277)
Due to change in demographic assumptions	-	(2,321,373)	(255,620)	-	-	-
Due to experience adjustments	2,707,718	2,745,721	6,683,253	3,146,627	9,017	(997,159)
Return on Plan Assets excluding amounts included in Interest Income	375,698	(92,168)	-	-	-	-
Net Cost recognised in Other Comprehensive Income	3,924,452	(2,720,458)	6,710,022	2,641,611	15,928	(1,025,436)

NOTES to the Financial Statements for the year ended 31st March, 2019

(Amounts in Rupees unless stated otherwise)

V Assumptions used to determine the Defined Benefit Obligations :

Particulars	Gratuity		Leave Encashment		One Time Incentive	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Mortality rate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate
Discount rate (per annum)	7.45%	7.60%	7.45%	7.60%	7.45%	7.60%
Expected rate of Return on Plan Assets (per annum)	7.45%	7.60%				
Expected rate of increase in Salary (per annum)	5.00%	5.00%	5.00%	5.00%	NA	NA
Expected Average remaining working lives of Employees (Years)	24.08	23.87	-	-	-	-

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of Plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for plan assets management.

VI Sensitivity Analysis :

Particulars	Change in Assumption	Effect on Gratuity obligation
For the year ended 31st March, 2018		
Discount Rate	+0.5%	62,468,430
	-0.5%	67,322,256
Salary Growth Rate	+0.5%	67,161,223
	-0.5%	62,541,013
Withdrawal Rate	+10.0%	65,130,436
	-10.0%	64,454,500
For the year ended 31st March, 2019		
Discount Rate	+0.5%	69,284,463
	-0.5%	74,968,162
Salary Growth Rate	+0.5%	74,727,927
	-0.5%	69,401,617
Withdrawal Rate	+10.0%	72,387,478
	-10.0%	71,614,565

Sensitivity analysis is performed by varying a single parameter while keeping all other parameters unchanged. Sensitivity analysis fails to focus on the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the Projected Unit Credit method has been applied as when calculating the defined benefit obligation recognised within the Balance Sheet. The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any.

VII History of Experience adjustments is as follows :

Particulars	Gratuity
For the year ended 31st March, 2018	
Plan Liabilities - (loss) / gain	(2,745,721)
Plan Assets - (loss) / gain	-
For the year ended 31st March, 2019	
Plan Liabilities - (loss) / gain	(2,707,718)
Plan Assets - (loss) / gain	-

NOTES to the Financial Statements for the year ended 31st March, 2019

(Amounts in Rupees unless stated otherwise)

VIII Estimate of Expected Benefit payments

Particulars	Gratuity	
	31st March, 2019	31st March, 2018
1st April, 2018 to 31st March, 2019	-	14,393,440
1st April, 2019 to 31st March, 2020	12,598,810	5,246,922
1st April, 2020 to 31st March, 2021	5,502,312	5,294,181
1st April, 2021 to 31st March, 2022	9,691,073	6,957,443
1st April, 2022 to 31st March, 2023	6,332,085	6,837,395
1st April, 2023 to 31st March, 2024	5,657,864	20,195,525
1st April, 2024 to 31st March, 2025 and Onwards	21,663,088	-

IX Statement of Employee Benefit Provision

Particulars	Gratuity		Leave Encashment		One Time Incentive	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Fair Value of Plan Assets	(68,116,296)	(64,645,800)	-	-	-	-
Present Value of Obligation	72,010,616	64,799,140	26,484,347	12,668,686	961,915	939,407
Net Liability / (Asset)	3,894,320	153,340	26,484,347	12,668,686	961,915	939,407

X Current and Non-Current provision for Gratuity, Leave Salary and One Time Incentive

Particulars	Gratuity		Leave Encashment		One Time Incentive	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Current	3,894,320	106,988	6,653,348	4,206,656	231,624	244,762
Non-Current	-	46,352	19,830,999	8,462,030	730,291	694,645
Total	3,894,320	153,340	26,484,347	12,668,686	961,915	939,407

33 FINANCE COST

Interest Expense

On Term Loans
On Bank Borrowings
On Security Deposits
Other Interest
Bank and Finance Charges

Total

Year Ended 31st March, 2019	Year Ended 31st March, 2018
32,139,907	22,612,290
139,719,782	133,402,582
5,972,502	5,560,827
75,052,354	58,744,619
21,136,306	26,827,423
274,020,851	247,147,740

6 DEPRECIATION & AMORTISATION

Depreciation
Amortisation

Total

Year Ended 31st March, 2019	Year Ended 31st March, 2018
23,643,932	21,908,927
423,569	272,269
24,067,501	22,181,196

NOTES to the Financial Statements for the year ended 31st March, 2019
(Amounts in Rupees unless stated otherwise)

34 OTHER EXPENSES	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Manufacturing Expenses		
Freight Inward	18,821,420	45,914,991
Miscellaneous Expenses	6,784,882	4,671,488
Power & Fuel	24,081,773	22,887,378
Processing Charges	37,278,859	33,285,172
Rent, Rates & Taxes	6,757,208	5,961,082
Repairs to Building	642,972	429,616
Repairs to Machinery	3,412,686	2,942,456
Research & Development Expenses	15,310,055	1,423,657
Security Charges	959,981	883,612
Stores and Spare Parts consumed	1,432,303	1,787,873
Wages & Allowances	62,196,461	67,030,357
	177,678,600	187,217,681
Selling & Distribution Expenses		
Advertisement and Publicity Expenses	132,415,368	147,606,708
Freight & Delivery Expenses	159,626,763	84,764,092
Mobile Selling Expenses	-	176,366
Selling Expenses	8,067,156	7,486,004
Travelling Expenses	111,391,570	98,184,572
	411,500,857	338,217,742
Other Administration Expenses		
Audit Fees	2,000,000	2,000,000
Conveyance & Motor Car Expenses	43,513,233	33,523,314
Corporate Social Responsibility (CSR) Expenses	3,404,522	3,524,316
Electricity	1,291,699	1,202,615
General Expenses	4,066,707	2,807,995
Insurance	25,745,812	21,962,371
Legal & Professional Fees	22,296,295	21,516,543
Loss on Sale of Asset	1,747,717	29,783
Net (Gain) / Loss on Foreign Currency Transaction and Translation	-	11,439,286
Postage & Telephones	4,747,671	6,682,214
Printing & Stationery	6,240,150	4,411,288
Rent, Rates & Taxes	49,095,857	45,699,865
Repairs & Maintenance	1,809,149	1,658,145
	165,958,812	156,457,734
Total	755,138,269	681,893,158

34.1 Other Disclosures
a) Auditor's Remuneration

Sr. No.	Particulars	Year Ended 31st March, 2019	Year Ended 31st March, 2018
1	Statutory Auditors		
(i)	Audit Fees	2,000,000	2,000,000
(ii)	Limited Review Report Fees	75,000	-
(iii)	Certification and Consultancy Fees	150,000	70,000
Total		2,225,000	2,070,000

NOTES to the Financial Statements for the year ended 31st March, 2019

(Amounts in Rupees unless stated otherwise)

b) Expenditure incurred on Corporate Social Responsibility

Details of expenditure on Corporate Social Responsibility Activities as per Section 135 of the Companies Act, 2013 read with Schedule III are as below :

Sr. No.	Particulars	Year Ended 31st March, 2019	Year Ended 31st March, 2018
(i)	Farmers Education	2,370,839	1,556,482
(ii)	Farmers Call Centre	-	787,057
(iii)	Infrastructure	828,405	974,492
(iv)	Sponsorship	10,000	30,000
(v)	Flood Relief	195,278	176,285
		3,404,522	3,524,316

35 EARNINGS PER SHARE (EPS)

The following is a reconciliation of the Equity Shares used in the computation of basic and diluted earnings per Equity Share :

Sr. No	Particulars	Year Ended 31st March, 2019	Year Ended 31st March, 2018
(i)	Issued Equity Shares	13,004,339	13,004,339
	Weighted Average Shares outstanding - Basic and Diluted	13,004,339	13,004,339

Net Profit available to Equity Shareholders of the Company used in the basic and diluted earnings per share was determined as follows :

Sr. No	Particulars	Year Ended 31st March, 2019	Year Ended 31st March, 2018
(i)	Profit and Loss after Tax for attributable to Equity Shareholders	148,979,985	141,488,996
(ii)	Basic Earning per Equity Share	11.46	10.88
(iii)	Face Value per Equity Share	10	10

36.1 OPERATING LEASE COMMITMENTS (Company is a Lessee)

The Company's significant leasing arrangements are in respect of Operating Leases for Vehicles. These leasing arrangements which are not non-cancellable range upto 60 months generally and are renewable by mutual consent on mutually agreeable terms. The aggregate Lease Rentals payable are charged as "RENT" in Other Administrative Expenses under Note 34.

With regard to Operating Leases for Vehicles, the future minimum lease rentals are as follows.

Sr. No.	Particulars	Total Minimum Lease Payments outstanding as at 31st March, 2019	Total Minimum Lease Payments outstanding as at 31st March, 2018
(a)	Within One year	27,029,453	34,928,642
(b)	Later than One year and not later than Five years	17,019,001	18,385,389
		44,048,454	53,314,031

The above lease rentals are inclusive of GST, Fleet Management, Insurance and Other Charges

36.2 Lease payments recognised in the Statement of Profit and Loss :

Particulars	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Minimum Lease Payments (Inclusive of GST, Fleet Management, Insurance and Other Charges)	39,001,610	32,955,233

36.3 General description of Lease terms :

- (a) Lease Rentals are charged on the basis of agreed terms.
- (b) Assets are taken on Lease for a period upto 60 months.

NOTES to the Financial Statements for the year ended 31st March, 2019

(Amounts in Rupees unless stated otherwise)

37. RELATED PARTY DISCLOSURES

Related Party Disclosures as per Ind AS 24 issued by the Institute of Chartered Accountants of India

Part - A

Details of Related Parties

(Amounts in Rupees unless stated otherwise)

Sr. No.	Nature of Relationship	Name of the Related Party	Remarks
1	Key Management Personnel	a) Dr. Rahul Mirchandani b) Mrs. Nitya Mirchandani c) Mr. S. Ramamurthy d) Mr. Qaiser P. Ansari	a) Chairman & Managing Director b) Director c) President & Chief Financial Officer d) Company Secretary & Sr. VP (Legal)
2	Entities where Control exists - Subsidiaries and Indirect Subsidiaries [Extent of Holding]	a) Aries Agro Care Pvt Ltd [100%] b) Aries Agro Equipments Pvt Ltd [100%] c) Golden Harvest Middle East FZC [75%] d) Amarak Chemicals FZC [75%]	a) Date of Incorporation 5th January, 2007 b) Date of Incorporation 12th January, 2007 c) Date of Incorporation 31st October, 2004 d) Step Down Subsidiary Date of Incorporation 9th September, 2007
3	Enterprises over which the Key Management Persons has significant Influence of Control	a) Aries Marketing Ltd. b) Blossoms International Ltd. c) Sreeni Agro Chemicals Ltd. d) Aries East West Nutrients Pvt. Ltd.	
4	Relatives of Key Management Personnel	Name of the Key Management Personnel	Name of the Relative Relationship
		a) Dr. Rahul Mirchandani	a) Mrs. Nitya Mirchandani b) Master Armaan Mirchandani c) Dr. Jimmy Mirchandani d) Mr. Akshay Mirchandani e) Mr. Amol Mirchandani Nephew Nephew
		b) Mrs. Nitya Mirchandani	a) Dr. Rahul Mirchandani b) Master Armaan Mirchandani Spouse Son

Part - B

Disclosure of Transactions between the Company and Related Parties

Sr. No.	Category	Nature of Service	Year Ended 31st March, 2019	Year Ended 31st March, 2018
1	Key Management Personnel	Loan repaid Loan taken Directors Remuneration paid Salary Paid Sitting Fees	30,000,000 30,000,000 17,658,000 8,495,083 340,000	- - 17,570,571 7,395,803 240,000
2	Subsidiaries	Loan / Advance given Refund of Advance Payments (Including Advance) for Goods Interest Income on Loan	257,875,420 89,477,291 - 41,991,305	499,428,266 135,660,569 11,806,960 22,007,754
3	Relatives of Key Management Personnel	Directors Remuneration paid * Legal & Professional Fees (Gross) Sitting Fees Salary Paid	- 8,236,613 67,500 2,944,663	46,867 7,365,475 30,000 1,436,184

* Directors Remuneration paid to Dr. Jimmy Mirchandani upto 2nd April, 2017

NOTES to the Financial Statements for the year ended 31st March, 2019

(Amounts in Rupees unless stated otherwise)

Part - C

Balance Outstanding with Related Parties

Category	Nature of Outstanding	Name of the Related Party	As at 31st March, 2019	As at 31st March, 2018
Key Management Personnel	Dues to Directors	Dr. Rahul Mirchandani	1,364,885	7,084,529
	Salary	Mr. S. Ramamurthy	192,955	187,318
		Mr. Qaiser P. Ansari	116,428	111,030
		Golden Harvest Middle East FZC	836,739,547	561,289,169
		Amarak Chemicals FZC	-	12,321,761
	Trade Payables	Golden Harvest Middle East FZC	22,658,780	-
	Share Investments	Aries Agro Care Pvt Ltd	100,000	100,000
		Aries Agro Equipments Pvt Ltd	100,000	100,000
		Golden Harvest Middle East FZC	202,489,000	202,489,000
	Sundry Debtors	Amarak Chemicals FZC	11,455,715	10,786,857
Relatives of Key Management Personnel	Dues to Directors (including Professional Fees)	Dr. Jimmy Mirchandani	2,842,992	1,481,484
	Salary	Mr. Amol Mirchandani	71,700	71,776
		Mr. Akshay Mirchandani	75,139	-

38. Contingent Liability not provided for in the accounts:

- a) Letters of credit / guarantees given / Bills discounting Rs.1,823.63 Lakhs.
 - b) Claims against company not acknowledged as debts Rs. 1,210.74 Lakhs which includes tax dues disputed as Rs. 50.03 Lakhs towards sales Tax, Rs. 359.27 Lakhs towards Income Tax, Rs. 792.01 Lakhs towards central excise & customs and Rs. 9.43 Lakhs pertaining to pending suits regarding quality issue.
 - c) 1) The Commissioner of Central Excise, Mumbai had issued Show Cause-Cum-Demand Notices for levy of Excise Duty on clearances of Micronutrients by proposing to classify the same as Plant Growth Regulators under Chapter Heading No. 38.08 of Central Excise Act and thereafter vide his order dated 27th November, 2006 upheld the classification of Micronutrients under chapter heading no 3105 as Fertilizers and consequently cancelled the demand. The Department had preferred appeals against the said orders before CESTAT, Mumbai and the same was decided on 11.06.2018 in File No. E/709/2007 vide Order bearing No. A/86615/2018 dated. 31.05.2018. The Dept. preferred a civil appeal bearing No. 41393 of 2018 before The Hon'ble Supreme Court of India. The Hon'ble Supreme Court dismissed the Appeal on 14.12.2018 in view of the fact that the Excise authorities have accepted the Order passed by Hyderabad Bench, Central Excise & Service Tax Appellate Tribunal (CESTAT) on 19.06.2017 and did not file an appeal against the said order.
 - 2 (a). The Commissioner of Central Excise, Ahmedabad – II, had passed an order confirming demand of Rs. 3.81 Crores on account of Central Excise duty, interest on the said amount and penalty of like amount i.e. Rs.3.81 Crores on the classification of micronutrient fertilizers relating to the Sanand facility against which the Company has preferred an appeal before the Central Excise and Service Tax Appellate Tribunal (CESTAT), Ahmedabad and the same is pending before CESTAT, Ahmedabad..
 - 2 (b). Similarly the Commissioner of Central GST and Central Excise, Ahmedabad has issued a Show Cause Notice demanding an amount of Rs.18.14 Crores on account of Central Excise Duty on the classification of micronutrient fertilizers relating to the Chhatral facility which is pending before the Hon'ble Commissioner (Appeals).
- The Central Board of Excise and Customs vide their Circular No. 1022/10/2016/CX dated 06/04/2016 have clarified that Micronutrients are not classifiable as Plant Growth Regulators and hence are not classifiable under Chapter Heading No. 38.08 of the Central Excise Act.

In view of legal pronouncement and the above referred Circular, the Show Cause-Cum-Demand Notices are liable to be dropped.

NOTES to the Financial Statements for the year ended 31st March, 2019

3. The Company has been classifying Sulphur Bentonite under Chapter Heading No. 25030090 as other forms of Sulphur. However, the Customs authorities classified Sulphur Bentonite imported under Chapter Heading No. 25030010 "as recovered byproduct in refining of crude oil". The Additional Commissioner of Customs, Nhava Sheva confirmed the classification under Chapter Heading No. 25030010 and demanded an amount of Rs. 29.91 Lakhs, in addition penalty of like amount i.e. Rs. 29.91 Lakhs along with fine and penalty of Rs. 7.00 Lakhs each on the Chairman & Managing Director and Purchase Manager of the Company.

The Company preferred an appeal before the Commissioner (Appeals) who vide order dated 19/02/2016 while upholding the Department's contention of classifying the product under Chapter Heading No. 25030010 set aside the fine and penalty imposed upon the Company, the Chairman & Managing Director and the Purchase Manager. The Commissioner Appeals also directed to grant benefit vide Sr. No. 60 under Notification No. 21/2002/CUS. The Company has preferred an appeal against the said order to the Customs, Central Excise and Service Tax Tribunal, Mumbai on 19/05/2016 contesting the classification of Sulphur Bentonite under Chapter Heading No. 25030010.

39. Segmental Reporting as per Ind AS - 108

The Company has only One business Segment "Agri Inputs" as its primary segment and hence disclosure of segment-wise information is not required under Ind AS 108 'Operating Segments' notified pursuant to the Companies (Indian Accounting Standard) Rules, 2016 (as amended).

40. Events Occurring after Balance Sheet

Dividend proposed to be distributed

(Amount in Rupees unless stated otherwise)

Particulars	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Dividend proposed for Equity Shareholders @ Rs. 1.80 per share (Previous Year @ Rs. 2.30 per share)	2,34,07,810	2,99,09,980
Total	2,34,07,810	2,99,09,980

41. (Amounts in Rupees unless stated otherwise)

Supplementary Profit and Loss Data	Year Ended 31st March, 2019	Year Ended 31st March, 2018
(a) Value of Imports calculated on CIF basis (on accrual basis) :	26,31,14,584	28,41,64,058

(b) Earnings in Foreign Currency (on accrual basis)		
F.O.B. Value of export sales	9,12,500	89,93,906
Interest on Loans	4,19,91,305	2,20,07,754

(c) Expenditure in Foreign Currency (on accrual basis)		
Foreign Traveling Expenses	5,31,555	5,07,595
Legal & Professional Fees	82,36,613	73,65,475

(d) Details of Consumption of Raw Materials :				
Particulars	Year Ended 31 st March 2019		Year Ended 31 st March 2018	
Imported	12,08,93,647	24.53%	18,93,58,218	33.86%
Indigenous	37,20,10,621	75.47%	36,98,61,795	66.14%
Total	49,29,04,268	100.00%	55,92,20,013	100.00%

NOTES to the Financial Statements for the year ended 31st March, 2019**(Amounts in Rupees unless stated otherwise)**

42. The Company has acquired vehicles in the name of the Directors which is yet to be transferred in the name of the Company. The Company has all the ownership rights and Depreciation thereon has been charged at the rates prescribed in the Schedule II to the Companies Act, 2013.
43. Previous Years figures have been regrouped and rearranged wherever necessary so as to make them comparable with the current year.

As per our report of even date

For Sandeep Sheth & Associates
Chartered Accountants
Firm Registration No. 120685W

Sandeep Sheth
Proprietor
Membership No 101903

Place : Mumbai
Date : 27th May, 2019

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

Dr. Rahul Mirchandani
Chairman & Managing Director
DIN 00239057

Dr. Jimmy Mirchandani
Director
DIN 00239021

Mrs. Nitya Mirchandani
Director
DIN 06882384

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

Mr. C. B. Chhaya
Director
DIN 00968966

Mr. B.V. Dholakia
Director
DIN 01871816

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

Mr. Qaiser P. Ansari
Company Secretary & Senior VP (Legal)
Membership No. ACS-8979

Sr. No.	Name of the Subsidiary Company	Reporting Currency	Exchange Rate	Share Capital	Other Equity	Total Assets	Total Liabilities	Investments	Turnover	Profit Before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend	% of Shareholding	Country
1	Aries Agro Care Pvt. Ltd.	INR	1.00	1.00	(30.53)	33.30	33.30	-	-	(2.42)	-	(2.42)	-	100 %	India
2	Aries Agro Equipments Pvt. Ltd.	INR	1.00	1.00	76.29	81.57	81.57	-	-	(0.55)	-	(0.55)	-	100 %	India
3	Golden Harvest Middle East FZC	AED	18.84	28.26	2,105.82	14,138.37	14,138.37	423.90	-	(523.70)	-	(523.70)	-	75 %	UAE
4	Amarak Chemical FZC	AED	18.84	565.20	800.90	15,749.11	15,749.11	-	-	(214.76)	-	(214.76)	-	75 % held by Golden Harvest Middle East FZC	UAE

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

As per our report of even date

For Sandeep Sheth & Associates
Chartered Accountants
Firm Registration No. 120685W

Dr. Rahul Mirchandani Chairman & Managing Director DIN 00239057	Prof. R. S. S. Mani Director DIN 00527270	Mr. S. Ramamurthy President & Chief Financial Officer Membership No. ACA-31200
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Sandeep Sheth
Proprietor
Membership No 101903

Dr. Jimmy Mirchandani
Director
DIN 00239021

Mr. C. B. Chhaya
Director
DIN 00968966

Mr. Kaiser P. Ansari
Company Secretary & Senior VP (Legal)
Membership No. ACS-8979

Place : Mumbai
Date : 27th May, 2019

Mrs. Nitya Mirchandani
Director
DIN 06882384

Mr. B.V. Dholakia
Director
DIN 01871816

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ARIES AGRO LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Aries Agro Limited ("the Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2019, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of

the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

OTHER MATTERS

We did not audit the financial statements / consolidated financial statements of certain Indian subsidiaries which reflect total assets of Rs. 1,14,87,697/- as at 31st March, 2019 total revenue of Rs. Nil/- and net cash flow amounting to Rs. (12,675)/- for the year then ended and Ind AS consolidated financial statements in which the share of Loss of the group is Rs. (2,96,831)/-. These financial statements have been audited by other auditors whose reports have been furnished to us and our opinion is based solely on the reports of the other auditors.

We did not audit the financial statements / consolidated financial statements of certain foreign subsidiaries whose financial statements reflect total assets of AED 9,35,32,416 as at 31st March, 2019 total revenues of AED 400 and net cash flow amounting to AED (17,494) for the year ended on that date and Consolidated financial statements in which the share of loss of the group is AED (36,34,664). These financial statements / consolidated financial statements have been audited by other auditors whose reports have been furnished to us and our opinion is based solely on the reports of the other auditors.

Our opinion is not qualified in respects of other matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
<p>Evaluation of uncertain tax positions</p> <p>The Group has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes.</p> <p>The Group has disclosed the contingent liabilities (to the extent not provided for) towards direct and indirect tax position.</p> <p>Refer Notes 5 (M) and 40 to the Consolidated Financial Statements</p> <p>The Group undergo assessment proceedings from time to time with direct and indirect tax authorities. There is a high level of judgment required in estimating the level of provisioning and/or disclosure required.</p> <p>The management's assessment is supported by the advice from independent tax consultants and legal consultants, where considered necessary by the management. Accordingly, unexpected adverse outcome, if any, could impact significantly the company's reported profit and balance sheet position.</p>	<p>Principal Audit Procedures</p> <p>Obtained details of completed tax assessment and demands for the year ended March 31, 2019 from management. We involved group's legal and tax consultants to challenge the management's underlying assumptions in estimating the tax provision, liabilities and the possible outcome of the disputes. Group's legal and tax consultants also considered legal precedence and other ruling evaluating management's position on these uncertain tax positions. Additionally, we considered the effect of new information in respect of uncertain tax position as at April 1, 2018 to evaluate whether any change is required to management's position on these uncertainties.</p> <p>We did not identify any material exception as a result of above procedure relating to management's assessment of provisions.</p>

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of Auditor's Report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are

responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary companies which are companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements

regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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 of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors of the Company as on March 31, 2019 taken on record by the Board of Directors of the Company and its subsidiaries incorporated in India and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2019 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditor's reports of the Company and its subsidiary companies incorporated in India. Our report expresses an

unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.

- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:

- i. The consolidated financial statements disclose impact of pending litigations on the consolidated financial position of the Group.
- ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its subsidiary companies incorporated in India.

For **Sandeep Sheth & Associates**
Chartered Accountants
(Firm's Registration No. 120685W)

Date: 27th Day of May, 2019
Place: Mumbai

Sandeep Sheth
Proprietor
(Membership No.101903)

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1 (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Aries Agro Limited of even date)

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of Aries Agro Limited (hereinafter referred to as “Company”) and its subsidiary companies, which are companies incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls.

The Board of Directors of the Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies 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 (“the ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor’s Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Company and its subsidiary companies, which are companies incorporated in India, have, 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, 2019, based on the internal control over financial reporting criteria established by the respective companies 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 **Sandeep Sheth & Associates**
Chartered Accountants
(Firm’s Registration No. 120685W)

Date: 27th Day of May, 2019
Place: Mumbai

Sandeep Sheth
Proprietor
(Membership No.101903)

Consolidated Balance Sheet as on 31st March, 2019

(Amounts in Rupees unless stated otherwise)

PARTICULARS	Note Nos.	As at 31st March, 2019	As at 31st March, 2018
I. ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	6	951,547,019	873,994,989
(b) Intangible Assets	6	2,752,412	1,656,735
(c) Capital Work in Progress		145,216,316	136,194,330
(d) Financial Assets			
Non-Current Investments	7	15,000	15,000
		1,099,530,747	1,011,861,053
(2) Current Assets			
(a) Inventories	8	1,297,868,174	1,271,478,514
(b) Financial Assets			
(i) Trade Receivables	9	1,858,926,735	1,821,792,668
(ii) Cash & Cash Equivalents	10	44,827,007	60,862,002
(iii) Other Bank Balances	11	41,841,506	43,064,477
(iv) Current Loans	12	1,212,601	1,567,041
(v) Other Financial Assets	13	1,638,311	1,762,669
(c) Other Current Assets	14	597,553,587	556,470,935
		3,843,867,920	3,756,998,306
		4,943,398,667	4,768,859,360
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share Capital	15	130,043,390	130,043,390
(b) Other Equity	16	1,760,991,754	1,699,014,141
		1,891,035,144	1,829,057,531
(2) Non-Controlling Interest	17		
Non-Controlling Interest - Equity		149,829,716	141,081,712
Non-Controlling Interest - Non-Equity		87,685,004	121,376,705
		237,514,720	262,458,418
(3) Non-Current Liabilities			
(a) Financial Liabilities			
Non Current Borrowings	18	132,694,137	164,247,637
(b) Non Current Provisions	19	21,178,846	10,104,207
(c) Deferred Tax Liability (Net)	20	38,612,684	45,187,376
		192,485,667	219,539,220
(4) Current Liabilities			
(a) Financial Liabilities			
(i) Current Borrowings	21	1,543,201,551	1,503,005,160
(ii) Trade Payables	22		
(a) Trade Payables - Total outstanding dues of Micro & Small Enterprises		81,740,659	-
(b) Trade Payables - Total outstanding dues of Creditors other than Micro & Small Enterprises		480,786,358	578,292,886
(iii) Other Current Financial Liabilities	23	46,646,736	44,935,266
(b) Other Current Liabilities	24	422,911,240	300,164,042
(c) Current Provisions	25	10,779,292	4,558,406
(d) Current Tax Liability (Net)	26	36,297,300	26,848,432
		2,622,363,136	2,457,804,192
		4,943,398,667	4,768,859,360
TOTAL			
Summary of Significant Accounting Policies	5		

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

As per our report of even date

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

For Sandeep Sheth & Associates
Chartered Accountants
Firm Registration No. 120685W

Dr. Rahul Mirchandani
Chairman & Managing Director
DIN 00239057

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

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

Sandeep Sheth
Proprietor
Membership No 101903

Dr. Jimmy Mirchandani
Director
DIN 00239021

Mr. C. B. Chhaya
Director
DIN 00968966

Mr. Qaiser P. Ansari
Company Secretary & Senior VP (Legal)
Membership No. ACS-8979

Place : Mumbai
Date : 27th May, 2019

Mrs. Nitya Mirchandani
Director
DIN 06882384

Mr. B.V. Dholakia
Director
DIN 01871816

Consolidated Statement of Profit and Loss for the year ended 31st March, 2019

PARTICULARS	Note Nos.	Year Ended 31st March, 2019	Year Ended 31st March, 2018
I. Revenue from Operations	27	3,203,090,983	3,501,155,075
Less :- Discounts / Rebates		549,925,567	553,868,523
		2,653,165,416	2,947,286,552
II. Other Income	28	33,157,825	19,890,558
III. Total Revenue (I + II)		2,686,323,241	2,967,177,111
IV. Expenses :			
(a) Cost of Materials Consumed	29	648,338,521	913,123,821
(b) Cost of Products Traded	30	509,633,931	618,149,275
(c) (Increase) / Decrease in Inventories of Finished Goods and Stock-in-Trade	31	(10,454,381)	(56,706,785)
(d) Excise Duty on Sale of Goods	32	-	34,344,005
(e) Employee Benefits Expense	33	301,660,284	283,840,825
(f) Finance Costs	34	289,448,057	288,873,457
(g) Depreciation and Amortization	6	24,152,093	22,634,936
(h) Other Expenses	35	768,133,729	695,793,826
Total Expenses		2,530,912,236	2,800,053,360
V. Profit Before Tax (PBT) - (III - IV)		155,411,004	167,123,750
VI. Tax Expense			
(a) Current Tax		80,900,000	68,700,000
(b) Adjustment of Tax relating to earlier periods		371,568	969,663
(c) Deferred Tax		(2,853,442)	6,569,958
Income Tax Expense		78,418,126	76,239,621
VII. Profit / (Loss) for the year (V - VI)		76,992,878	90,884,129
VIII. Profit / (Loss) for the year attributable to :			
Owners of the Parent		98,824,646	104,836,475
Non-Controlling Interest		(21,831,768)	(13,952,346)
		76,992,878	90,884,129
IX. Other Comprehensive Income			
(A) Items that will not be reclassified to Profit or Loss			
(i) Remeasurements of Defined Benefit Plans		(10,650,402)	1,104,283
Less :- Income Tax relating to Items that will not be reclassified to		(3,721,250)	382,192
(ii) Profit or Loss		(6,929,152)	722,091
(B) Items that will be reclassified to Profit or Loss			
(i) Exchange Differences in translating the Financial Statements of Foreign Operation		(2,155,804)	(114,259)
(ii) Less :- Income Tax relating to Items that will be reclassified to Profit or Loss		-	-
		(2,155,804)	(114,259)
		(9,084,956)	607,832
X. Total Comprehensive Income for the year (VII + IX)		67,907,922	91,491,962
XI. Other Comprehensive Income for the year attributable to :			
Owners of the Parent		(8,428,452)	639,364
Non-Controlling Interest		(656,504)	(31,531)
		(9,084,956)	607,832
XII. Total Comprehensive Income for the year attributable to :			
Owners of the Parent		90,396,194	105,475,839
Non-Controlling Interest		(22,488,272)	(13,983,877)
		67,907,922	91,491,962
XIII. Earnings per Equity Share	36		
(1) Basic & Diluted		7.60	8.06
Summary of Significant Accounting Policies	5		

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

As per our report of even date

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

For Sandeep Sheth & Associates
Chartered Accountants
Firm Registration No. 120685W

Dr. Rahul Mirchandani
Chairman & Managing Director
DIN 00239057

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

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

Sandeep Sheth
Proprietor
Membership No 101903

Dr. Jimmy Mirchandani
Director
DIN 00239021

Mr. C. B. Chhaya
Director
DIN 00968966

Mr. Qaiser P. Ansari
Company Secretary & Senior VP (Legal)
Membership No. ACS-8979

Place : Mumbai
Date : 27th May, 2019

Mrs. Nitya Mirchandani
Director
DIN 06882384

Mr. B.V. Dholakia
Director
DIN 01871816

Statement of Changes in Equity for the year ended 31st March, 2019

Note No. 15

(Amounts in Rupees unless stated otherwise)

A Equity Share Capital	Balance as at 31st March, 2018	Changes in Equity Capital during the year	Balance as at 31st March, 2019	Non-Controlling Interest - Equity
1,30,04,339 Equity Shares of Rs. 10/- each.	130,043,390	-	130,043,390	149,829,716

Note No. 16

B	Other Equity	Attributable to the Equity Holders of the Parent								Non-Controlling Interest - Non Equity
		Reserves & Surplus						Items of Other Comprehensive Income	Balance as at 31st March, 2019	
		Securities Premium Reserve	Legal Reserve	Foreign Currency Translation Reserve	General Reserve	Retained Earnings	TOTAL			
	Balance as at 1st April, 2018	490,037,050	17,320,504	98,534,082	102,956,310	997,032,443	1,705,880,389	(6,866,247)	1,699,014,141	121,376,705
	Add / (Less) :- Profit / (Loss) for the year	-	-	-	-	76,992,878	76,992,878	(6,929,152)	70,063,726	-
	Add / (Less) :- Share of Non-Controlling Interest in Retained Earnings	-	-	-	-	21,831,769	21,831,769	-	21,831,769	(21,831,769)
	Add / (Less) :- Exchange Rate Difference on Translating Financial Statements of Foreign Operations	-	-	-	-	-	-	(2,155,804)	(2,155,804)	-
	Add / (Less) :- Share of Non-Controlling Interest in OCI	-	-	-	-	-	-	656,504	656,504	(656,504)
	Add / (Less) :- Provision for Doubtful Debts	-	-	-	-	(25,834,868)	(25,834,868)	-	(25,834,868)	(11,203,428)
	Add / (Less) :- Dividend Paid for F Y 2017-18	-	-	-	-	(29,910,833)	(29,910,833)	-	(29,910,833)	-
	Add / (Less) :- Dividend Distribution Tax Paid for F Y 2017-18	-	-	-	-	(6,088,968)	(6,088,968)	-	(6,088,968)	-
	Add / (Less) :- Foreign Currency Translation Reserve	-	-	33,416,087	-	-	33,416,087	-	33,416,087	-
		-	-	33,416,087	-	36,989,978	70,406,065	(8,428,452)	61,977,613	(33,691,701)
	Balance as at 31st March, 2019	490,037,050	17,320,504	131,950,169	102,956,310	1,034,022,420	1,776,286,454	(15,294,699)	1,760,991,754	87,685,004
	Balance as at 1st April, 2017	490,037,050	17,320,504	95,576,480	102,956,310	923,499,400	1,629,389,744	(7,505,611)	1,621,884,133	134,668,364
	Add / (Less) :- Profit / (Loss) for the year	-	-	-	-	90,884,129	90,884,129	-	90,884,129	-
	Add / (Less) :- Transfer from Retained Earnings	-	-	-	-	13,952,346	13,952,346	31,531	13,983,877	(13,983,877)
	Add / (Less) :- Dividend Paid for F Y 2016-17	-	-	-	-	(26,008,678)	(26,008,678)	-	(26,008,678)	-
	Add / (Less) :- Dividend Distribution Tax Paid for F Y 2016-17	-	-	-	-	(5,294,755)	(5,294,755)	-	(5,294,755)	-
	Add / (Less) :- Re-measurements of the net defined benefit plans	-	-	-	-	-	-	722,091	722,091	-
	Add / (Less) :- Foreign Currency Translation Reserve	-	-	2,957,602	-	-	2,957,602	(114,259)	2,843,343	692,219
		-	-	2,957,602	-	73,533,042	76,490,644	639,364	77,130,008	(13,291,658)
	Balance as at 31st March, 2018	490,037,050	17,320,504	98,534,082	102,956,310	997,032,443	1,705,880,389	(6,866,247)	1,699,014,141	121,376,705

Dividend declared @ Rs. 1.80 per share for Financial Year 2018-19

Consolidated Statement of Cash Flows for the year ended 31st March, 2019

(Amounts in Rupees unless stated otherwise)

Sr. No.	Particulars	Year Ended 31st March, 2019	Year Ended 31st March, 2018
A)	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit before tax as per Statement of Profit and Loss	155,411,004	167,123,750
	Adjusted for :		
	Depreciation and Amortisation Expense	24,152,093	22,634,936
	Loss on Sale of Assets (net)	1,747,717	307,142
	Effect of Exchange Rate change	13,259,948	1,082,050
	Interest Income	(20,384,156)	(19,033,922)
	Finance Costs	289,448,058	288,873,457
	Operating Profit before Working Capital Changes	463,634,664	460,987,413
	Adjusted for :		
	(Increase) / Decrease in Trade Receivables	(37,134,066)	(397,929,682)
	(Increase) / Decrease in Inventories	(26,389,660)	143,623,684
	Increase / (Decrease) in Trade Payables	(15,765,869)	228,657,191
	Increase / (Decrease) in Provisions & Other Current Liabilities	140,552,663	(226,402,559)
	Cash Generated from Operations	524,897,732	208,936,046
	Income Taxes (paid) / received (Net)	(81,271,568)	(69,669,663)
	Net Cash Flow from Operating Activities (A)	443,626,164	139,266,383
B)	CASH FLOW FROM INVESTING ACTIVITIES :		
	Purchase of Fixed Assets (Property, Plant & Equipment, Intangible Assets, Capital work in progress (WIP)	(82,810,534)	(101,630,609)
	Proceeds from Sale of Fixed Assets	2,422,000	1,153,375
	Investments in Long Term Investments	-	60,000
	Movement in Short Term Loans and Advances & Other Assets	(39,380,882)	63,028,285
	Interest Income	20,384,156	19,033,922
	Net Cash Flow from / (used in) Investing Activities (B)	(99,385,261)	(18,355,027)
C)	CASH FLOW FROM FINANCING ACTIVITIES:		
	Increase / (Decrease) in Shareholders Capital / Current Account	(43,470,930)	(106,499,393)
	Dividend Paid	(29,910,833)	(26,008,678)
	Tax on Dividend paid	(6,088,968)	(5,294,755)
	Non Current Borrowings (Net)	(31,553,500)	24,352,390
	Current Borrowings (Net)	40,196,390	284,917,743
	Finance Costs	(289,448,058)	(288,873,457)
	Net Cash (used in) / from financing activities (C)	(360,275,898)	(117,406,150)
	Net Increase in Cash and Cash Equivalents	(16,034,995)	3,505,206
	Opening Balance of Cash and Cash Equivalents	60,862,002	57,356,796
	Closing Balance of Cash and Cash Equivalents	44,827,007	60,862,002

NOTE :

- The above statement has been prepared under the indirect method set out in Ind AS-7 " Statement of Cash Flows " .
- Figures in the bracket indicate cash out flow.

As per our report of even date

For Sandeep Sheth & Associates
Chartered Accountants
Firm Registration No. 120685W

Sandeep Sheth
Proprietor
Membership No 101903

Place : Mumbai
Date : 27th May, 2019

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

Dr. Rahul Mirchandani
Chairman & Managing Director
DIN 00239057

Dr. Jimmy Mirchandani
Director
DIN 00239021

Mrs. Nitya Mirchandani
Director
DIN 06882384

Prof. R. S. S. Mani
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Director
DIN 01871816

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

Mr. Kaiser P. Ansari
Company Secretary & Senior VP (Legal)
Membership No. ACS-8979

NOTES to the Consolidated Financial Statements for the year ended 31st March, 2019

1. Corporate Information

Aries Agro Limited ('Aries' or the 'Company') was incorporated at Mumbai in 1969 for manufacturing of small range of mineral feed additives for animals & birds and then diversified into mineral additives for the agriculture use and currently is into business of manufacturing micronutrients and other nutritional products for plants and animals.

In January, 2007 the Company incorporated Aries Agro Care Private Limited as a Wholly Owned Subsidiary for carrying business in the Branch of agro protection, seeds etc.

In January, 2007 the Company incorporated Aries Agro Equipments Private Limited as a Wholly Owned Subsidiary for carrying business in all type of farm equipments, machinery etc.

In 2008 the Company acquired 75% Shares in Golden Harvest Middle East FZC, Sharjah, UAE, by virtue of which the said Golden Harvest Middle East FZC has become a Subsidiary of the Company. Golden Harvest Middle East FZC is in the business of trading plant nutrients..

In the year 2010 the Company's Overseas Subsidiary viz M/S Golden Harvest Middle East FZC acquired 75% Shares of M/S Amarak Chemicals FZC based in Fujairah Free Zone, UAE by virtue of which M/S Amarak Chemicals FZC has become a Step Down Subsidiary of Aries Agro Limited.

Aries Agro Limited and its Subsidiaries ('the Group') are engaged in manufacture and trading of Micronutrient Fertilizers, Farm Equipments ranging from individual elements to mixed specialty plant nutrient fertilizers. Since 1969, Aries has pioneered several **innovative concepts of farming** to Farming Community, including the wonder of Chelation Technology, bio-degradable complexes of plant nutrients, water soluble NPK fertilizers, value added secondary nutrients, natural and biological products and water treatment formulations.

2. Basis of Preparation and Consolidation

These Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS), under the Historical Cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act 2013 (the Act) (to the extent notified) and guidelines issued by Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under section 133 of the Act read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Accounting policies have been consistently applied except where a newly issued Accounting Standard is initially adopted or a revision to an existing Accounting Standard requires a change in the Accounting Policy hitherto in use.

As the quarter and year, end figures are taken from the source and rounded to the nearest digits, the figures reported for the previous quarters might not always add up to the year figures reported in the statement.

The financial statement has been prepared considering all Ind AS notified by MCA till reporting date i.e. 31st March, 2019.

The preparation of the financial statements requires management to make estimates and assumptions. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision effects only that period or in the period of the revision and future periods if the revision affects both current and future years.

The consolidated financial statements relate to the 'ARIES GROUP' together with its Subsidiaries. Subsidiary are those entities in which the Parent directly or indirectly, has interest more than 50% of the voting power or otherwise control the composition of the board or governing body so as to obtain economic benefits from activities. The consolidated financial statements have been prepared on the following basis:-

- a) The financial statements of the subsidiaries are combined on a line-by-line basis by adding together the like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and intra-group transactions and unrealized profits or losses in accordance with Ind AS 110 – 'Consolidated Financial Statements' notified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended time to time.
- b) In the case of foreign subsidiaries, being non-integral foreign operations, revenue items are consolidated at the average exchange rates prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Components of equity are translated at closing rate. Any gain / (Loss) on exchange difference arising on consolidation is recognized in the Foreign Currency Translation Reserve (FCTR).
- c) Non-controlling Interest (NCI) in the net assets of the consolidated subsidiaries is identified and presented in the consolidated Balance Sheet separately from liabilities and the equity attributable to the Parent's shareholders. NCI in the net assets of the consolidated subsidiaries consists of:
 - The amount of equity attributable to NCI at the date on which investment in a subsidiary is made; and
 - The NCI share of movement in the equity since the date the parent subsidiary relationship came into existence.

NOTES to the Consolidated Financial Statements for the year ended 31st March, 2019

- d) NCI in the total comprehensive income (comprising of profit and loss and other comprehensive income) for the year, of consolidated subsidiaries is identified and adjusted against the total comprehensive income of the Group.
- e) Where Group has contractual obligation (Put, call or any other) to deliver cash or another financial asset and to settle any compound financial instruments classified by subsidiary as equity or mix of equity and liability, to the extent there is such an obligation or a component of it subject to obligation, the equity component considered by subsidiary is classified as financial liability in consolidated financial statement.
- f) For acquisitions of additional interests in subsidiaries, where there is no change in control, the Group recognises a reduction to the non-controlling interest of the respective subsidiary with the difference between this figure and the cash paid, inclusive of transaction fees, being recognised in equity. In addition, upon dilution of non-controlling interests the difference between the cash received from sale or listing of the subsidiary shares and the increase to non-controlling interest is also recognised in equity. If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit and loss. Any investment retained is recognised at fair value. The results of subsidiaries acquired or disposed off will re-included in the consolidated Profit and Loss Statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.
- g) The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the companies separate financial statements.

2.1 Statement of Compliance

The Comparative Consolidated Financial Statements comprising Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity, Cash Flow Statement, together with the Notes to accounts along with a summary of the significant accounting policies and other explanatory information for the year ended 31st March 2017 have been prepared in accordance with the Ind AS as notified above.

2.2 Basis of Measurement - Historic Cost Convention

These Consolidated Financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities that is measured at fair value (refer accounting policy regarding financial instruments);
- Defined benefit plans – plan assets measured at fair value

All assets and liabilities has been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

2.3 Functional and Presentation Currency

Items included in the Financial Statements of the entity are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). Indian Rupee is the Functional currency of the Company.

The Financial statements are presented in Indian Rupees, which is the Company's presentation currency.

2.4 Use of Estimates:

The preparation of Consolidated Financial Statements in accordance with Ind AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the Balance Sheet and Statement of Profit and Loss. The actual amounts realized may differ from these estimates. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognized in the period in which the results are known / materialized and, if material, their effects are disclosed in the notes to the Financial Statements.

Estimates and assumptions are required in particular for :

- (i) **Determination of the estimated useful life of tangible assets and the assessment as to which components of the cost may be capitalized :**

Useful life of tangible assets is based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful life is different from that prescribed in Schedule II, it is based on technical advice, taking into account the nature of the asset, estimated usage and operating conditions of the asset, past history of replacement and maintenance support. An assumption also needs to be made, when the Company assesses, whether an asset may be capitalized and which components of the cost of the asset may be capitalized.

- (ii) **Recognition and measurement of defined benefit obligations :**

The obligation arising from the defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined with reference to market yields at the end of the reporting period on the government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

NOTES to the Consolidated Financial Statements for the year ended 31st March, 2019

(iii) Recognition of deferred tax assets :

A Deferred tax asset is recognized for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized. The management assumes that taxable profits will be available while recognizing deferred tax assets.

(iv) Recognition and measurement of other provisions :

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in other provisions.

(v) Discounting of long-term financial liabilities :

All financial liabilities are required to be measured at fair value on initial recognition. In case of financial liabilities, which are required to be subsequently measured at amortized cost, interest is accrued using the effective interest method.

(vi) Determining whether an arrangement contains a lease :

At the inception of an arrangement, the Company determines whether the arrangement is or contains a lease. At the inception or on reassessment of an arrangement that contains a lease, the Company separates payments and other consideration required by the arrangement into those for the lease and those for the other elements based on their relative fair values. If the Company concludes for a finance lease that, it is impracticable to separate the payments reliably, then an asset and a liability are recognized at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognized using the Company's incremental borrowing rate. In case of operating lease, the Company treats all payments under the arrangement as lease payments.

3. Recent Accounting Pronouncement

Ind AS 116 Leases: On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of profit & loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application either by:
 - Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:
 - Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or
 - An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application

Certain practical expedients are available under both the methods.

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments: On March 30, 2019,

Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty Over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax credits and tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition - i) Full retrospective approach—Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application i.e. April 1, 2019 without adjusting comparatives.

Amendment to Ind AS 12—Income taxes: On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes' in connection with accounting for dividend distribution taxes.

NOTES to the Consolidated Financial Statements for the year ended 31st March, 2019

The amendment clarifies that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019.

Amendment to Ind AS 19- plan amendment, curtailment or settlement- On march 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19 'Employee Benefits', in connection with accounting for plan amendments curtailments and settlements.

The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognize in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognized because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after 1 April 2019.

4. Current Versus Non-Current Classification :

(i) The assets and liabilities in the Balance Sheet are based on current/ non – current classification. An asset as current when it is:

1. Expected to be realized or intended to be sold or consumed in normal operating cycle.
2. Held primarily for the purpose of trading.
3. Expected to be realized within twelve months after the reporting period, or
4. Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non - current.

(ii) A liability is current when it is:

1. Expected to be settled in normal operating cycle
2. Held primarily for the purpose of trading
3. Due to be settled within twelve months after the reporting period, or
4. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are treated as non - current.

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

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents

5. Significant Accounting Policies

A) Plant, Property & Equipment :

All the property, plant and equipments have been carried at value in accordance with the previous GAAP. The Company has elected these value as deemed cost at the date of transition to Ind AS.

Property, Plant & Equipment are stated at original cost net of tax/ duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. All costs, including finance costs incurred up to the date the asset is ready for its intended use.

When significant parts of property, plant and equipment are required to be replaced at intervals, the company derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly.

All the other repair and maintenance costs are recognised in the statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision is met.

Property, Plant & Equipment are eliminated from the financial statements either on disposal or when retired from active use. Losses arising in the case of retirement of property, plant and equipment and gains and losses arising from disposal of property, plant and equipment are recognised in the statement of profit and loss in the year of occurrence.

Subsequent expenditure related to an item of Property, Plant & Equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing Property, Plant & Equipment, including routine repair and maintenance expenditure and cost of replacing parts, are changed to the statement of profit and loss for the period during which such expenses are incurred.

NOTES to the Consolidated Financial Statements for the year ended 31st March, 2019

The management of the company determines the estimated useful lives of its property, plant and equipment for calculating the depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual value and useful lives annually and future depreciation charge would be adjusted where the management believes the useful lives differ from previous estimates.

A decline in the value of the property, plant and equipment could have significant effect on the amounts recognized in the financial statements. Management assesses the impairment of property, plant and equipment wherever events or changes in the circumstances indicate that the carrying value may not be recoverable.

The Company adjusts exchange differences arising on translation/ settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset.

Gains or losses arising from disposal of Plant, Property and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is disposed.

B) Depreciation & Amortization :

- a) Depreciation on property, plant & equipment is provided on straight-line basis over the useful life of assets as specified in schedule II to the companies Act, 2013. In case of Property, plant & Equipment that are added/ disposed off during the year depreciation is provided on pro-rata basis with reference to the month of addition/ deletion.

Leasehold improvements are being depreciated over the lease term or estimated useful life whichever is lower. Used assets acquired from third parties are depreciated on a straight line basis over their remaining useful life of such assets.

During the year in **Amarak Chemicals FZC**, the factory was not in operation and hence the management of the company decided not to provide the depreciation on the factory building, machineries, furniture, fixtures, and office equipment. Accordingly, while preparing these financial statements, no depreciation has been provided on the above assets during the year. The motor vehicle is depreciated by equal annual installments over the estimated useful life of the assets. The estimated useful lives of the motor vehicle is 4 years.

- b) Depreciation methods, useful life and residual values are reviewed at each reporting date and adjusted if appropriate.

C) Intangible Assets :

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortised over the irrespective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

The useful lives of intangible assets are assessed as either finite or infinite.

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is considered to modify the amortized period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with finite useful life are amortized over the useful economic life and assessed for impairment whenever there is any indication that the intangible asset may be impaired.

Intangibles with indefinite useful life, if any are not amortized, but are tested for impairment annually, either individually or at the cash generating unit level.

D) Impairment of Non-Current Assets :

As at each balance sheet date, the Company assesses whether there is an indication that an asset may be impaired and also whether there is an indication of reversal of impairment loss recognized in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, if any, the Company determines the recoverable amount and impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- In the case of an individual asset, at the higher of the fair value less cost to sell and the value in use; and
- In the case of cash generating unit (a group of assets that generate identified, independent cash flows), at the higher of cash generating unit's fair value less cost to sell and the value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the asset.

In determining fair value less cost disposal, recent market transaction are taken into account.

NOTES to the Consolidated Financial Statements for the year ended 31st March, 2019

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.

Intangible assets with indefinite useful lives are tested for impairment annually, as appropriate, and when circumstances indicate that the carrying value may be impaired.

E) Cash and Cash Equivalents :

Cash and cash equivalents comprise cash on hand and demand deposits with banks which are short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

F) Inventories and WIP:

Inventories are valued at the lower of cost and net realizable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

a) Raw materials and packing materials :

Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a first-in-first out basis. Customs duty on imported raw materials (excluding stocks in the bonded warehouse) is treated as part of the cost of the inventories. Raw material, store and spares: Cost on FIFO basis or net realizable value, whichever is lower.

b) Work-in-progress and finished goods :

Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty.

c) Traded goods :

Lower of cost and net realizable value. Cost includes the purchase price and other associated costs directly incurred in bringing the inventory to its present location. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

d) Waste and scrap are not separately valued being insignificant in value.

e) Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

G) Leases :

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

a) Operating Lease

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

b) Finance Lease

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

H) Retirement benefits :

a) Short Term Employee Benefits :

Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

Short - term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

NOTES to the Consolidated Financial Statements for the year ended 31st March, 2019

b) Post-Employment Benefits :

i) Defined Contribution Plans :

Retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss for the year when the contributions to the government funds are due. The Company has no obligation other than the contribution payable to provident fund authorities.

ii) Defined Contribution Plans :

The employees' gratuity fund scheme is the Company's defined benefit plan. The present value of the obligation under the said defined benefit plan is determined on the basis of actuarial valuation from an independent actuary using the Projected Unit Credit Method.

The gratuity benefit of the Company is administered by a trust formed for this purpose through the group gratuity scheme.

Remeasurements comprising of actuarial gain and losses, the effect of the asset ceiling and the return on plan assets (excluding amount included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur.

Re-measurements are not reclassified to the statement of profit and loss in subsequent periods.

Past service cost is recognised in the statement of profit & loss in the period of plan amendment.

Net interest is calculated by applying the discounted rate to the net defined benefit liability or asset.

c) Other Long Term Employee Benefits :

The Company treats accumulated leave expected to be carried forward beyond 12 months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

I) Non-current assets held for sale :

Non Current assets are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use.

Non Current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

The criteria for held for sale/ distribution classification is regarded met only when the assets are available for immediate sale/ distribution in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated,
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale to owners are not depreciated or amortized.

J) Foreign Currency :

Functional and Presentation Currency

Consolidated financial statements have been presented in Indian Rupees (₹), which is the Group's functional currency and Group's presentation currency. Each entity in the Group determines its own functional currency (the currency of the primary economic environment in which the entity operates) and items included in the financial statements of each entity are measured using that functional Currency.

Transactions and Balances :

The transactions in foreign currency are accounted at the exchange rate i.e. custom rate prevailing on the date of transaction. Exchange fluctuation between the transaction date and settlement date in respect of transactions are transferred to exchange rate difference account and written off to the statement of profit & loss. Exchange difference that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income or expenses in the Statement of Profit and Loss in the period in which they arise.

NOTES to the Consolidated Financial Statements for the year ended 31st March, 2019

Current assets and current liabilities involving transactions in foreign currency are converted at the exchange rates prevailing on the date of Balance Sheet. Any profit and loss arising out of such conversion is charged to the Statement of profit and loss.

Non-monetary items i.e. investments are converted at the rate prevalent on the date of transaction.

K) Financial Instruments :

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

1) Financial Assets :

(i) Classification

Financial Assets comprises of Investments in Equity and Debt securities, Trade Receivables, Cash and Cash equivalents, Borrowings and other Financial Assets.

(ii) Initial recognition measurement :

All financial assets is recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial Assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

(iii) Subsequent Recognition

a) Financial Assets measured at amortized cost

Financial assets are measured at amortized cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are measured at amortized cost using the effective interest rate (EIR) method.

The EIR amortization is recognized as finance income in the Statement of Profit and Loss.

Trade receivables

A receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less provision for impairment. For some trade receivables the Group may obtain security in the form of guarantee, security deposit or letter of credit which can be called upon if the counter party is in default under the terms of the agreement.

Impairment is made on the expected credit losses, which are the present value of the shortfalls over the expected life of financial assets. The estimated impairment losses are recognised in a separate provision account and the impairment losses are recognised in the Statement of Profit and Loss within other expenses.

For foreign currency trade receivable, impairment is assessed after reinstatement at closing rates.

Subsequent changes in assessment of impairment are recognised in provision for impairment and changes in impairment losses are recognised in the Statement of Profit and Loss within other expenses.

Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognised in the Statement of Profit and Loss within other expenses.

Subsequent recoveries of amounts previously written off are credited to other Income

b) Financial Assets measured at fair value through other comprehensive income (FVTOCI)

Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income.

c) Financial Assets measured at fair value through profit or loss (FVTPL)

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognized in profit or loss.

d) Investment in Subsidiary and Associates

Investment in equity instruments of Subsidiaries and Associates are measured at cost. Provision for Impairment loss on such investment is made only when there is a diminution in value of the investment, which is other than temporary.

e) Investment in Debt Instruments

A debt instrument is measured at amortized cost or at FVTPL. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit and loss.

NOTES to the Consolidated Financial Statements for the year ended 31st March, 2019

(iv) De-recognition of Financial Assets:

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

2) Financial Liabilities:

(i) Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of loans, borrowings, and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, security deposits and other deposits.

(ii) Subsequent measurement:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity.

All other changes in fair value of such liability are recognised in the statement of profit or loss.

(iii) Loans and Borrowings :

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

Trade and Other Payables

A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent unpaid liabilities for goods and services provided to the Group till the end of financial year. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. Trade payables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest rate method.

(iv) Derecognition of Financial Liabilities :

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

L) Borrowing Costs :

Borrowing costs that are directly attributable to acquisition, construction or production of a qualifying asset (net of income earned on temporary deployment of funds) are capitalised as a part of the cost of such assets. Borrowing cost consists of interest, other cost incurred in connection with borrowings of fund and exchange differences to the extent regarded as an adjustment to the borrowing cost. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

All other borrowing costs are charged to the Statement of Profit and Loss.

M) Taxes :

(a) Current Income Tax :

- (i) Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals.

Current tax comprises of the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of the previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

- has a legally enforceable right to set off the recognised amounts; and
- intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

NOTES to the Consolidated Financial Statements for the year ended 31st March, 2019

- (ii) Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit & loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) Deferred Tax :

- (i) Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at the reporting date.
- (ii) The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax liabilities are always provided for in full. Deferred tax assets are recognized to the extent that it is probable that they will be able to be offset against future taxable income. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted at the balance sheet date.

Most changes in deferred tax assets or liabilities are recognized as a component of tax expense in the income statement. Only changes in deferred tax assets or liabilities that relate to a change in value of assets or liabilities that is charged directly to equity are charged or credited directly to equity.

(c) Sales / value added taxes :

Expenses and assets are recognised net of the amount of sales/ value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of tax included The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

(d) Minimum Alternate Tax :

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on "Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961", the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

N) Revenue Recognition :

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

The specific recognition criteria described below must also be met before revenue is recognized.

(a) Sale of products :

As stated in Ind AS 115, Revenue from sale of products is recognized when the entity transfers the control of goods and services to customers at an amount that the entity expects to be entitled. The Company collects Goods and Service Tax (GST) on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue. Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied net of discounts, returns etc. Ind As 115 is based on a five step model as mentioned below.

1. Identify the contract with customer
2. Identify the performance obligation
3. Determine the transactions price
4. Allocate transaction price
5. Recognize Revenue when (or as) performance obligations are satisfied.

(b) Other Income :

Interest Income

Interest income is recognized on accrual basis at applicable interest rates. For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payment or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial assets interest income is included in other income in the statement of profit & loss.

NOTES to the Consolidated Financial Statements for the year ended 31st March, 2019

Dividend Income

Dividend income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

O) Dividend / Distribution :

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividend is approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognised directly in equity.

P) Earnings Per Share :

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares, that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

Q) Segment Reporting :

Identification of segments

The Company's operating businesses are organised and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and services to different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operates

R) Provisions, Contingent Liabilities and Contingent Assets :

A provision is recognized if as a result of a past event the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are not recognized but disclosed in the Financial Statements when economic inflow is probable.

(a) Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if

- (i) the Company has a present obligation as a result of past event,
- (ii) a probable outflow of resources is expected to settle the obligation; and
- (iii) the amount of obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

(b) Contingent liabilities are disclosed in case of:

- (i) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation,
- (ii) a present obligation arising from past events, when no reliable estimate is possible,
- (iii) a possible obligation arising from past events where the probability of outflow of resources is not remote.

(c) Contingent assets are neither recognized nor disclosed.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions and Contingent Liabilities are recognized / disclosed after an evaluation of the facts and legal aspects and the amounts are reviewed on the Balance Sheet date.

S) Research & Development Expenditure:

Revenue expenditure pertaining to research is charged to statement of profit and loss. Development costs of products are charged to the statement of Profit and loss unless a product's technological and commercial feasibility has been established, in which case such expenditure is capitalized.

Note No. 6 - Property, Plant and Equipment and Intangible Assets as at 31st March, 2019

Particulars	PROPERTY, PLANT AND EQUIPMENT														INTANGIBLE ASSETS		Total
	Land	Buildings	Office Premises	Cylinders	Plant & Machinery	Electrical Installations	Laboratory Equipments	Office Equipments	Furniture & Fixtures	Air Conditioners	Computer	Vehicles	Commercial Vehicles	Total	Softwares		
Gross Block																	
As at 1st April, 2018	18,724,219	583,780,636	19,981,599	-	831,427,840	17,576,378	2,378,764	8,992,432	24,251,052	4,077,628	8,121,617	20,667,698	4,046,740	1,554,026,602	18,983,051	1,573,009,653	
Add : Addition during the year	19,042,254	4,556,033	-	352,534	38,073,734	-	19,010	828,289	2,009,075	182,457	674,511	6,531,403	-	72,269,299	1,771,210	74,040,509	
Less : Disposals / Impaired during the year	-	-	-	-	140,000	-	-	29,511	-	-	-	6,895,490	2,379,585	9,444,586	297,675	9,742,261	
Add / (Less) : Adjustment on A/c of Exchange Rate	-	16,253,676	-	-	40,261,243	-	-	120,899	63,885	-	-	57,200	-	56,756,902	-	56,756,902	
As at 31st March, 2019	37,766,473	614,590,345	19,981,599	352,534	909,622,816	17,576,378	2,397,774	9,912,109	26,324,012	4,260,086	8,796,128	20,360,811	1,667,155	1,673,608,217	20,456,586	1,694,064,803	
Accumulated Depreciation																	
As at 1st April, 2018	-	283,046,242	240,844	-	340,249,282	8,482,388	1,746,866	7,335,639	15,745,725	2,910,195	7,348,310	9,646,083	3,280,042	680,031,614	17,326,316	697,357,930	
Add : Addition during the year	-	4,575,130	632,751	13,561	11,243,343	1,437,023	133,056	554,460	2,526,793	311,470	368,517	1,932,429	-	23,728,523	423,569	24,162,092	
Less : Disposals / Impaired during the year	-	-	-	-	54,859	-	-	29,511	-	-	-	2,929,892	2,260,606	5,274,869	45,712	5,320,580	
Add / (Less) : Adjustment on A/c of Exchange Rate	-	4,916,328	-	-	18,430,705	-	-	120,899	63,885	-	-	44,113	-	23,575,930	-	23,575,930	
As at 31st March, 2019	-	292,537,700	873,595	13,561	369,868,471	9,919,411	1,879,921	7,981,487	18,336,392	3,221,664	7,716,826	8,692,733	1,019,436	722,061,198	17,704,174	739,765,372	
Net carrying amount																	
As at 31st March, 2019	37,766,473	322,052,644	19,108,004	338,973	539,754,345	7,656,968	517,853	1,930,622	7,987,619	1,038,421	1,079,301	11,668,078	647,719	951,547,019	2,752,412	954,299,431	
As at 31st March, 2018	18,724,219	310,734,394	19,740,755	-	491,178,558	9,083,991	631,899	1,656,793	8,505,327	1,167,433	773,307	11,021,615	766,698	873,994,988	1,656,735	875,651,723	
Gross Block																	
As at 1st April, 2017	13,456,619	574,585,989	-	-	691,362,117	16,954,817	2,297,182	8,602,747	20,753,251	3,406,842	7,899,994	22,441,048	4,116,740	1,365,877,345	18,225,900	1,384,103,245	
Add : Addition during the year	5,267,600	18,012,562	19,981,599	-	137,659,873	621,561	81,562	380,893	3,493,155	670,786	221,623	327,450	-	186,718,683	757,151	187,475,834	
Less : Disposals / Impaired during the year	-	-	-	-	359,381	-	-	-	-	-	-	2,106,300	70,000	2,535,681	-	2,535,681	
Add / (Less) : Adjustment on A/c of Exchange Rate	-	1,182,086	-	-	2,765,231	-	-	8,793	4,646	-	-	5,500	-	3,966,255	-	3,966,255	
As at 31st March, 2018	18,724,219	583,780,636	19,981,599	-	831,427,840	17,576,378	2,378,764	8,992,432	24,251,052	4,077,628	8,121,617	20,667,698	4,046,740	1,554,026,602	18,983,051	1,573,009,653	
Accumulated Depreciation																	
As at 1st April, 2017	-	278,378,800	-	-	328,862,146	6,684,824	1,487,450	6,889,440	13,390,112	2,652,059	7,060,342	8,493,920	3,295,259	657,194,351	17,054,047	674,248,398	
Add : Addition during the year	-	4,309,891	240,844	-	10,101,011	1,797,564	259,416	437,407	2,350,966	258,136	287,967	2,319,465	-	22,362,667	272,269	22,634,936	
Less : Disposals / Impaired during the year	-	-	-	-	54,410	-	-	-	-	-	-	1,169,262	15,217	1,238,889	-	1,238,889	
Add / (Less) : Adjustment on A/c of Exchange Rate	-	357,551	-	-	1,340,535	-	-	8,793	4,646	-	-	1,960	-	1,713,485	-	1,713,485	
As at 31st March, 2018	-	283,046,242	240,844	-	340,249,282	8,482,388	1,746,866	7,335,639	15,745,725	2,910,195	7,348,309	9,646,083	3,280,042	680,031,614	17,326,316	697,357,930	
Net carrying amount																	
As at 31st March, 2018	18,724,219	310,734,394	19,740,755	-	491,178,558	9,083,991	631,899	1,656,793	8,505,327	1,167,433	773,308	11,021,615	766,698	873,994,989	1,656,735	875,651,723	
As at 31st March, 2017	13,456,619	286,207,189	-	-	362,499,971	10,269,993	809,733	1,713,307	7,363,139	754,783	839,652	13,947,127	821,481	708,682,994	1,171,853	709,854,847	

NOTES :

6.1 In accordance with the Ind AS 36 "Impairment of Assets", the management has during the year carried out an exercise of identifying the assets that would have been impaired in respect of each cash generating unit. On the basis of this review carried out by the Management, there was no impairment loss on Assets during the year.

NOTES to the Consolidated Financial Statements for the year ended 31st March, 2019

(Amounts in Rupees unless stated otherwise)

7 NON-CURRENT INVESTMENTS			As at 31st March, 2019			As at 31st March, 2018
(Unquoted and fully paid up)	No. of Shares	Face Value (Rs.)		No. of Shares	Face Value (Rs.)	
A) Equity Shares						
Other Investment (at Cost)						
Aries Agro Produce Pvt Ltd	1500	10	15,000	1500	10	15,000
Total			15,000			15,000

8 INVENTORIES	As at 31st March, 2019	As at 31st March, 2018
(At lower of cost or Net Realisable Value)		
(As Certified and valued by the Management)		
Raw Materials	322,948,733	298,879,493
Finished Goods	816,417,856	805,963,475
Stock-in-Trade (in respect of Goods acquired for Trading)	70,291,292	67,781,280
Packing Materials	88,210,293	98,854,266
Total	1,297,868,174	1,271,478,514

9 TRADE RECEIVABLES	As at 31st March, 2019	As at 31st March, 2018
Unsecured		
Considered Good	1,858,926,735	1,821,792,668
Total	1,858,926,735	1,821,792,668

9.1 Ageing of Trade Receivables

Particulars	Ageing		Total
	More than 6 months	Less than 6 months	
As at 31st March, 2019			
Unsecured			
Considered Good	886,192,785	972,733,950	1,858,926,735
Gross Total	886,192,785	972,733,950	1,858,926,735
As at 31st March, 2018	880,723,137	941,069,531	1,821,792,668

9.2 Trade Receivables are non-interest bearing and receivable in normal operating cycle

10 CASH AND CASH EQUIVALENTS	As at 31st March, 2019	As at 31st March, 2018
Balance with Banks in Current Accounts	44,806,684	60,845,221
Cash on hand	20,323	16,781
Total	44,827,007	60,862,002

11 OTHER BANK BALANCES	As at 31st March, 2019	As at 31st March, 2018
Fixed Deposits with Banks held as Margin Money (Maturity less than One Year)	38,893,203	40,214,553
Unclaimed Dividend Accounts	2,948,303	2,849,924
Total	41,841,506	43,064,477

11.1 Fixed Deposits are kept as Margin against various Credit Limits / Guarantees

NOTES to the Consolidated Financial Statements for the year ended 31st March, 2019

(Amounts in Rupees unless stated otherwise)

12	CURRENT LOANS	As at 31st March, 2019	As at 31st March, 2018
	(Unsecured and Considered Good)		
	Loans to Employees	1,212,601	1,567,041
		1,212,601	1,567,041

13	OTHER CURRENT FINANCIAL ASSETS	As at 31st March, 2019	As at 31st March, 2018
	Interest Accrued but not due	1,638,311	1,762,669
		1,638,311	1,762,669

13.1 Interest Accrued but not due includes Interest accrued on various Fixed Deposits with Banks

14	OTHER CURRENT ASSETS	As at 31st March, 2019	As at 31st March, 2018
	(Unsecured and Considered Good)		
	Other Advances	588,863,794	547,632,370
	Security Deposits	8,689,793	8,838,565
	Total	597,553,587	556,470,935

14.1 Other Advances includes :

Particulars	As at 31st March, 2019	As at 31st March, 2018
(a) Balances with Taxation Authorities	58,380,516	31,264,223
(b) Advance to Suppliers	524,109,971	506,605,607
(c) Advance to Staff against expenses	128,800	156,036
(d) Imprest Advance for Vehicle Expenses	122,475	204,137
(e) Prepaid Expenses	6,122,032	9,402,366
	588,863,794	547,632,370

a) All the above Advances are interest free

b) Other terms and conditions on which such advances are given to the Companies are not prejudicial to the interest of the Company.

15	EQUITY SHARE CAPITAL	As at 31st March, 2019	As at 31st March, 2018
	Authorised		
	1,50,00,000 Equity Shares of Rs. 10/- each	150,000,000	150,000,000
		150,000,000	150,000,000
	Issued, Subscribed and Fully Paidup		
	1,30,04,339 (31st March, 2018 1,30,04,339) Equity Shares of Rs. 10/- each.	130,043,390	130,043,390
		130,043,390	130,043,390

15.1 Reconciliation of the number of Equity Shares :

Particulars	As at 31st March, 2019	As at 31st March, 2018
Shares outstanding at the beginning of the year	13,004,339	13,004,339
Shares outstanding at the end of the year	13,004,339	13,004,339

NOTES to the Consolidated Financial Statements for the year ended 31st March, 2019

(Amounts in Rupees unless stated otherwise)

16.1 List of Shareholder's holding more than 5 % Shares in the Company :

Name of the Shareholders	As at 31st March, 2019		As at 31st March, 2018	
	No of Shares	% of Holding	No of Shares	% of Holding
(i) Dr. Jimmy Mirchandani	3,344,830	25.72%	3,434,830	26.41%
(ii) Dr. Rahul Mirchandani	2,803,221	21.56%	2,713,221	20.86%
Total	6,148,051	47.28%	6,148,051	47.28%

16 Nature of Reserves

- 16.1 **Securities Premium Reserve** : represents the amount received in excess of par value of securities i.e equity shares. Premium on redemption of securities is accounted in security premium available. Where security premium is not available, premium on redemption of securities is accounted in statement of profit and loss. Section 52 of Companies Act, 2013 specify restriction and utilisation of security premium.
- 16.2 **Legal Reserve** : represents reserve created out of profit of the Company in accordance with the provisions of Memorandum and Articles of Association of the Company.
- 16.3 **Foreign Currency Translation Reserve** : represents difference in valuation of Investment in Overseas Subsidiary
- 16.4 **General Reserve** : represents the statutory reserve, this is in accordance with Indian Corporate law wherein a portion of profit is apportioned to general reserve. Under Companies Act, 1956 it was mandatory to transfer amount before a Company can declare dividend, however under Companies Act, 2013 transfer of any amount to General reserve is at the discretion of the Company.
- 16.5 **Retained Earnings** : represent the undistributed profits of the Company
- 16.6 **Other Comprehensive Income Reserve** : represent the balance in equity for items to be accounted in Other Comprehensive Income. Other Comprehensive Income is classified into i) items that will not be reclassified to profit and loss, ii) items that will be reclassified to profit and loss.

17 NON-CONTROLLING INTEREST

	As at 31st March, 2019	As at 31st March, 2018
Non-Controlling Interest - Equity	149,829,716	141,081,712
Non-Controlling Interest - Non-Equity	87,685,004	121,376,705
	237,514,720	262,458,418

- 17.1 Non-Controlling Interest as at 31st March, 2019, represents that part of the profit / (Loss) and net assets of Golden Harvest Middle East FZC to the extent of 375 Shares (25%) and Amarak Chemicals FZC to the extent of 5,000 Shares (25%) held by other parties.

18 NON - CURRENT BORROWINGS

	As at 31st March, 2019	As at 31st March, 2018
Secured Term Loans		
Term Loans from Banks	29,368,765	46,748,835
	29,368,765	46,748,835
Un-Secured Term Loans		
Term Loans from Banks	103,325,372	117,498,802
	103,325,372	117,498,802
Total	132,694,137	164,247,637

NOTES to the Consolidated Financial Statements for the year ended 31st March, 2019

(Amounts in Rupees unless stated otherwise)

18.1 Secured Term Loans from Banks referred above to the extent of :

Sr. No.	Particulars	As at 31st March, 2019	As at 31st March, 2018
(a)	Secured by way of Charge on the Company's Motor Vehicles.	5,857,490	4,117,229
(b)	Secured by way of Primary Charge on Office Premises at Vastrapur, Gujarat.	6,215,275	8,054,606
(c)	Secured by way of Primary Charge on Land and Building at Moje Rajpur, Gujarat.	17,296,000	34,577,000
		29,368,765	46,748,835

18.2 Un-Secured Term Loans from Banks are secured by way of Charge on personal Assets of Directors and guaranteed by the Directors.

18.3 Maturity Profile of Term Loans are as set out below :

Sr. No.	Financial Years	Secured Term Loans from Banks	Un-Secured Term Loans from Banks	Total
(a)	2019-20	23,355,327	19,173,430	42,528,757
	Sub-Total	23,355,327	19,173,430	42,528,757
(b)	2020-21	21,419,432	21,662,304	43,081,736
(c)	2021-22	3,509,992	21,274,337	24,784,329
(d)	2022-23 & Above	4,439,341	60,388,731	64,828,072
	Sub-Total	29,368,765	103,325,372	132,694,137
	Total	52,724,092	122,498,802	175,222,894

18.4 Rs. 4,25,28,757/- is shown in Current Maturities (On 31st March, 2018 Rs. 4,03,82,134/-)

19 NON CURRENT PROVISIONS

Provision for Employee Benefits

Gratuity	617,556	947,532
Leave Salary	19,830,999	8,462,030
One Time Incentive	730,291	694,645
Total	21,178,846	10,104,207

20 DEFERRED TAX LIABILITY

A Deferred Tax Liability

Related to Fixed Assets : Difference between Depreciation charged for Financial Reporting and Depreciation as per Income Tax

Other Comprehensive Income

B Gross Deferred Tax Liability

Gross Deferred Tax Asset

Disallowance under the Income Tax Act, 1961 U/s 43B

C Net Deferred Tax Liability (A-B)

	As at 31st March, 2019	As at 31st March, 2018
	51,923,658	49,514,945
	(3,721,250)	382,192
	48,202,408	49,897,137
	9,589,724	4,709,761
	9,589,724	4,709,761
	38,612,684	45,187,376

NOTES to the Consolidated Financial Statements for the year ended 31st March, 2019

(Amounts in Rupees unless stated otherwise)

21	CURRENT BORROWINGS	As at 31st March, 2019	As at 31st March, 2018
	Secured Borrowings		
	Working Capital Facilities from Banks		
	Cash Credits	1,292,830,008	1,166,478,256
	Buyers Credits	-	119,695,336
		1,292,830,008	1,286,173,592
	Un-Secured Borrowings		
	Working Capital Demand Loan from Companies / NBFCs	70,000,000	104,311,200
	From Related Parties	661,728	31,627
	Short Term Loan from Companies / NBFC's	75,000,000	-
	From Others	104,709,815	112,488,742
		250,371,543	216,831,569
	Total	1,543,201,551	1,503,005,160

21.1 Working Capital Facilities from Banks are secured by way of Charge on Company's Inventory, Book Debts, Charge on Land, Building, Plant & Machinery and all other movable fixed assets of the Company and guaranteed by Directors.

21.2 Un-Secured Borrowings from Companies / NBFCs are secured by way of personal guarantee of Directors.

22	TRADE PAYABLES	As at 31st March, 2019	As at 31st March, 2018
	(a) Trade Payables - Total outstanding dues of Micro & Small Enterprises	81,740,659	-
	(b) Trade Payables - Total outstanding dues of Creditors other than Micro & Small Enterprises	480,786,358	578,292,886
	Total	562,527,017	578,292,886

22.1 All Trade Payables are non-interest bearing and payable or settled within normal operating cycle of the Company.

23	OTHER CURRENT FINANCIAL LIABILITIES	As at 31st March, 2019	As at 31st March, 2018
	Current Maturities of Long Term Debt	42,528,757	40,382,134
	Interest Accrued but not due on Borrowings	1,169,676	1,703,208
	Unclaimed Dividend	2,948,303	2,849,924
	Total	46,646,736	44,935,266

23.1 Current Maturities of Long Term Debt includes amount repayable within one year of :

Sr. No.	Particulars	As at 31st March, 2019	As at 31st March, 2018
(a)	Secured Term Loans from Banks	23,355,327	25,339,405
(b)	Un-Secured Term Loans from Banks	19,173,430	15,042,729
		42,528,757	40,382,134

NOTES to the Consolidated Financial Statements for the year ended 31st March, 2019

(Amounts in Rupees unless stated otherwise)

23.2 Secured Term Loans from Banks included in Current Maturities of Long Term Debt to the extent of :

Sr. No.	Particulars	As at 31st March, 2019	As at 31st March, 2018
(a)	Secured by way of Charge on the Company's Motor Vehicles.	2,663,996	3,236,487
(b)	Secured by way of Primary Charge on Office Premises at Vastrapur, Gujarat.	1,839,331	1,679,918
(c)	Secured by way of Primary Charge on Land and Building at Moje Rajpur, Gujarat.	18,852,000	20,423,000
		23,355,327	25,339,405

23.3 Un-Secured Term Loans from Banks / NBFC's included in Current Maturities of Long Term Debt to the extent of Rs. 1,91,73,430/- (31st March, 2018, Rs. 1,50,42,729/-) are secured by way of Charge on personal Assets of Directors and guaranteed by the Directors.

23.4 Unclaimed Dividend do not include any amounts, due and outstanding, to be credited to Investor Education and Protection Fund.

24 OTHER CURRENT LIABILITIES	As at 31st March, 2019	As at 31st March, 2018
Accrued Salaries and Benefits	96,251,452	93,170,297
Advances / Credits from Customers	166,312,574	27,957,868
Dues to Directors	4,207,877	8,920,813
Security Deposits	89,200,745	84,174,056
Statutory Dues	19,030,889	8,699,768
Other Payables	47,907,703	77,241,241
Total	422,911,240	300,164,042

24.1 Statutory Dues includes Goods & Service Tax, Tax Deducted at Source, Tax Collected at Source, ESIC, Provident Fund and Profession Tax.

24.2 Other Payables includes mainly Staff Expense Claims and Provision for Expenses.

25 CURRENT PROVISIONS	As at 31st March, 2019	As at 31st March, 2018
Provision for Employee Benefits		
Gratuity	3,894,320	106,988
Leave Salary	6,653,348	4,206,656
One Time Incentive	231,624	244,762
Total	10,779,292	4,558,406

26 CURRENT TAX LIABILITY (NET)	As at 31st March, 2019	As at 31st March, 2018
Provision for Income Tax (Net of Advance Tax / TDS)	36,297,300	26,848,432
Total	36,297,300	26,848,432

27 REVENUE FROM OPERATIONS	As at 31st March, 2019	As at 31st March, 2018
Sales of Products	3,203,090,983	3,501,155,075
Less:- Discounts / Rebates	549,925,567	553,868,523
Total	2,653,165,416	2,947,286,552

NOTES to the Consolidated Financial Statements for the year ended 31st March, 2019

(Amounts in Rupees unless stated otherwise)

27.1 Particulars of Sale of Products :

Sr. No.	Particulars	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Manufactured Products			
(a)	Agricultural Mirconutrient and Speciality Fertilizers	2,121,288,102	2,299,427,061
(b)	Plant Nutrients	-	302,287,116
(c)	Insecticides and Pesticides	221,462,043	239,262,044
(d)	Animal Feed and Feed Concentrates	89,509,156	14,140,168
(e)	Others	3,873,718	5,404,785
		2,436,133,019	2,860,521,174
Traded Products			
(a)	Agricultural Mirconutrient and Speciality Fertilizers	766,957,964	640,613,823
(b)	Agri Equipments	-	20,078
		766,957,964	640,633,901
	Total	3,203,090,983	3,501,155,075
	Less:- Discounts / Rebates	549,925,567	553,868,523
		2,653,165,416	2,947,286,552

28 OTHER INCOME

Interest Income on :

Bank Fixed Deposits
Others

Other Non-Operating Income

Misc. / Other Income
Net Gain / Loss on Foreign Currency Translation
Profit on Sale of Fixed Assets

Total

	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Bank Fixed Deposits	2,600,409	2,680,959
Others	17,783,747	16,352,963
Misc. / Other Income	203,161	692,911
Net Gain / Loss on Foreign Currency Translation	12,570,508	-
Profit on Sale of Fixed Assets	-	163,725
Total	33,157,825	19,890,558

29 COST OF MATERIALS CONSUMED

- Opening Stock of Raw Materials
Add : Purchases

Less : Closing Stock of Raw Materials
Raw Material Consumed
- Opening Stock of Packing Materials
Add : Purchases

Less : Closing Stock of Packing Materials
Packing Materials Consumed
Consumption of Materials (1+2)

	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Opening Stock of Raw Materials	298,879,493	416,647,396
Add : Purchases	516,973,508	598,729,139
	815,853,001	1,015,376,535
Less : Closing Stock of Raw Materials	322,948,733	298,879,493
Raw Material Consumed	492,904,268	716,497,042
Opening Stock of Packing Materials	98,854,266	87,912,980
Add : Purchases	144,790,280	207,568,066
	243,644,546	295,481,046
Less : Closing Stock of Packing Materials	88,210,293	98,854,266
Packing Materials Consumed	155,434,253	196,626,780
Consumption of Materials (1+2)	648,338,521	913,123,821

NOTES to the Consolidated Financial Statements for the year ended 31st March, 2019

(Amounts in Rupees unless stated otherwise)

30 COST OF PRODUCTS TRADED	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Opening Stock of Traded Products	67,781,280	161,887,729
Add :- Purchases of Traded Products	512,143,943	524,042,826
	579,925,223	685,930,555
Closing Stock of Traded Products	70,291,292	67,781,280
Cost of Products Traded	509,633,931	618,149,275
31 (INCREASE) / DECREASE IN INVENTORIES OF FINISHED GOODS AND STOCK-IN-TRADE	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Inventories at the beginning of the year		
Finished Goods	805,963,475	749,256,690
	805,963,475	749,256,690
Inventories at the end of the year		
Finished Goods	816,417,856	805,963,475
	816,417,856	805,963,475
(Increase) / Decrease in Inventories	(10,454,381)	(56,706,785)
32 EXCISE DUTY ON SALE OF GOODS	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Excise Duty on Sale of Goods	-	34,344,005
Total	-	34,344,005
33 EMPLOYEE BENEFIT EXPENSES	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Salaries, Wages and Allowances	243,351,082	217,560,798
Directors Remuneration	18,953,000	23,104,438
Contribution to Provident & Other Funds	31,570,329	36,582,465
Staff Welfare Expenses	7,785,873	6,593,124
Total	301,660,284	283,840,825
33.1 As per Ind AS 19 "Employee Benefits", the disclosure of employee benefits as defined in the Indian Accounting Standard (Ind AS) are given below :		
Particulars	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Expense recognised for Defined Contribution Plan		
Company's contribution to Provident Fund	24,166,721	21,388,920
	24,166,721	21,388,920

All Permanent Employees having served from the 1st day of their employment are entitled to the benefits of the contribution to Provident Fund.

The Company contributes specified percentage of the salary paid to Employees to the Defined Fund.

Defined Benefit Plan

All Employees who have completed five years or more of service are entitled to benefits of Gratuity. The Company has the Employee's Group Gratuity scheme managed by Life Insurance Corporation of India which is a Defined Benefit Plan. The Employees Leave Encashment scheme, which is a Defined Benefit Plan is unfunded.

Below table sets forth the changes in the projected benefit obligation and plan assets and amounts recognised in the Standalone Balance Sheet as at 31st March, 2019 and 31st March, 2018, being the respective measurement dates :

NOTES to the Consolidated Financial Statements for the year ended 31st March, 2019

(Amounts in Rupees unless stated otherwise)

I Reconciliation of opening and closing balances of the Present Value of the Defined Benefit Obligation

Particulars	Gratuity		Leave Encashment		One Time Incentive	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Present Value of Defined Benefit obligation at the beginning of the year	64,799,140	63,714,438	12,668,686	11,278,941	939,407	2,065,040
Current Service Cost	5,821,178	5,582,095	9,855,579	2,098,980	54,486	111,268
Interest Cost	4,377,784	3,923,613	9,855,579	620,759	62,094	124,535
Actuarial (gain) / loss	3,548,754	(2,628,290)	9,855,579	2,641,611	15,928	(1,025,436)
Past Service Cost	-	5,775,792	9,855,579	-	-	-
Benefits paid	(6,536,240)	(11,568,508)	9,855,579	(3,971,605)	(110,000)	(336,000)
Present Value of Defined Benefit obligation at the end of the year	72,010,616	64,799,140	61,946,581	12,668,686	961,915	939,407

II Reconciliation of opening and closing balances of the Fair Value of the Plan Assets

Particulars	Gratuity	
	As at 31st March, 2019	As at 31st March, 2018
Fair Value of Plan Assets at the beginning of the year	64,645,800	54,271,242
Interest Income	4,587,335	3,457,963
Return on plan assets excluding amounts included in Interest Income	(375,698)	92,168
Contributions	5,795,099	18,392,935
Benefits paid	(6,536,240)	(11,568,508)
Actuarial gain / (loss)	5,795,099	-
Fair value of Plan Assets at the end of the year	73,911,395	64,645,800

III Expenses recognised in Profit and Loss

Particulars	Gratuity		Leave Encashment		One Time Incentive	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Current Service Cost	5,821,178	5,582,095	9,855,579	2,098,980	54,486	111,268
Past Service Cost and loss / (gain) on curtailments and settlement	-	5,775,792	-	-	-	-
Interest Cost	(209,551)	465,650	962,820	620,759	62,094	124,535
Net Cost recognised in Statement of Profit and Loss	5,611,627	11,823,537	10,818,399	2,719,739	116,580	235,803

NOTES to the Consolidated Financial Statements for the year ended 31st March, 2019

(Amounts in Rupees unless stated otherwise)

IV Expenses recognised in Other Comprehensive Income

Particulars	Gratuity		Leave Encashment		One Time Incentive	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Components of actuarial gain / losses on obligations :						
Due to change in financial assumptions	841,036	(3,052,638)	282,389	(505,016)	6,911	(28,277)
Due to change in demographic assumptions	-	(2,321,373)	(255,620)	-	-	-
Due to experience adjustments	2,707,718	2,745,721	6,683,253	3,146,627	9,017	(997,159)
Return on Plan Assets excluding amounts included in Interest Income	375,698	(92,168)	-	-	-	-
Net Cost recognised in Other Comprehensive Income	3,924,452	(2,720,458)	6,710,022	2,641,611	15,928	(1,025,436)

V Assumptions used to determine the Defined Benefit Obligations :

Particulars	Gratuity		Leave Encashment		One Time Incentive	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Mortality rate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate
Discount rate (per annum)	7.45%	7.60%	7.45%	7.60%	7.45%	7.60%
Expected rate of Return on Plan Assets (per annum)	7.45%	7.60%				
Expected rate of increase in Salary (per annum)	5.00%	5.00%	5.00%	5.00%	NA	NA
Expected Average remaining working lives of Employees (Years)	24.08	23.87	-	-	-	-

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of Plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for plan assets management.

NOTES to the Consolidated Financial Statements for the year ended 31st March, 2019

(Amounts in Rupees unless stated otherwise)

VI Sensitivity Analysis :

Particulars	Change in Assumption	Effect on Gratuity obligation
For the year ended 31st March, 2018		
Discount Rate	+0.5%	62,468,430
	-0.5%	67,322,256
Salary Growth Rate	+0.5%	67,161,223
	-0.5%	62,541,013
Withdrawal Rate	+10.0%	65,130,436
	-10.0%	64,454,500
For the year ended 31st March, 2019		
Discount Rate	+0.5%	69,284,463
	-0.5%	74,968,162
Salary Growth Rate	+0.5%	74,727,927
	-0.5%	69,401,617
Withdrawal Rate	+10.0%	72,387,478
	-10.0%	71,614,565

Sensitivity analysis is performed by varying a single parameter while keeping all other parameters unchanged. Sensitivity analysis fails to focus on the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the Projected Unit Credit method has been applied as when calculating the defined benefit obligation recognised within the Balance Sheet. The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any.

VII History of Experience adjustments is as follows :

Particulars	Gratuity
For the year ended 31st March, 2018	
Plan Liabilities - (loss) / gain	(2,745,721)
Plan Assets - (loss) / gain	-
For the year ended 31st March, 2019	
Plan Liabilities - (loss) / gain	(2,707,718)
Plan Assets - (loss) / gain	-

VIII Estimate of Expected Benefit payments

Particulars	Gratuity	
	31st March, 2019	31st March, 2018
1st April, 2018 to 31st March, 2019	-	14,393,440
1st April, 2019 to 31st March, 2020	12,598,810	5,246,922
1st April, 2020 to 31st March, 2021	5,502,312	5,294,181
1st April, 2021 to 31st March, 2022	9,691,073	6,957,443
1st April, 2022 to 31st March, 2023	6,332,085	6,837,395
1st April, 2023 to 31st March, 2024	5,657,864	20,195,525
1st April, 2024 to 31st March, 2025 and Onwards	21,663,088	-

NOTES to the Consolidated Financial Statements for the year ended 31st March, 2019

(Amounts in Rupees unless stated otherwise)

IX Statement of Employee Benefit Provision

Particulars	Gratuity		Leave Encashment		One Time Incentive	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Present Value of Obligation	72,010,616	64,799,140	26,484,347	12,668,686	961,915	939,407
Fair Value of Plan Assets	(68,116,296)	(64,645,800)	-	-	-	-
Amount recognised in Balance Sheet	3,894,320	153,340	26,484,347	12,668,686	961,915	939,407

X Current and Non-Current provision for Gratuity, Leave Salary and One Time Incentive

Particulars	Gratuity		Leave Encashment		One Time Incentive	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Current	3,894,320	106,988	6,653,348	4,206,656	231,624	244,762
Non-Current	-	46,352	19,830,999	8,462,030	730,291	694,645
Total	3,894,320	153,340	26,484,347	12,668,686	961,915	939,407

33.2 The above charts do not include the provisions made by Foreign Subsidiaries

34 FINANCE COSTS

Interest Expense

On Term Loans

On Bank Borrowings

On Security Deposits

Other Interest

Bank and Finance Charges

Total

	Year Ended 31st March, 2019	Year Ended 31st March, 2018
	32,139,907	22,612,290
	144,902,034	148,210,296
	5,972,502	5,560,827
	84,926,759	85,117,022
	21,506,855	27,373,022
	289,448,057	288,873,457

6 DEPRECIATION & AMORTISATION

Depreciation

Amortisation

Total

	Year Ended 31st March, 2019	Year Ended 31st March, 2018
	23,728,524	22,362,667
	423,569	272,269
	24,152,093	22,634,936

NOTES to the Consolidated Financial Statements for the year ended 31st March, 2019

(Amounts in Rupees unless stated otherwise)

35 OTHER EXPENSES	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Manufacturing Expenses		
Freight Inward	18,821,420	45,914,991
Miscellaneous Expenses	6,784,882	5,391,878
Power & Fuel	24,081,773	22,963,382
Processing Charges	37,278,859	33,285,172
Rent, Rates & Taxes	14,900,716	12,471,903
Repairs to Building	642,972	501,098
Repairs to Machinery	3,412,686	2,942,456
Research & Development Expenses	15,310,055	1,423,657
Security Charges	959,981	883,612
Stores & Spare Parts consumed	1,432,303	1,787,873
Wages & Allowances	62,196,461	67,483,735
	185,822,108	195,049,757
Selling & Distribution Expenses		
Advertisement and Publicity Expenses	132,415,368	147,606,708
Freight & Delivery Expenses	159,626,763	84,764,092
Mobile Selling Expenses	-	176,366
Selling Expenses	8,068,814	7,664,066
Travelling Expenses	111,473,564	98,429,248
	411,584,509	338,640,480
Other Administration Expenses		
Audit Fees	2,323,468	2,315,075
Bank Charges	30,489	10,285
Conveyance & Motor Car Expenses	43,787,463	34,419,069
Corporate Social Responsibility (CSR) Expenses	3,404,522	3,524,316
Electricity	1,291,699	1,202,615
General Expenses	5,501,960	4,764,642
Insurance	25,767,028	22,067,981
Legal & Professional Fees	22,492,735	22,061,672
Loss on Sale of Asset	1,747,717	307,142
Net Gain / Loss on Foreign Currency Transaction and Translation	-	11,439,323
Postage & Telephones	5,149,215	7,470,772
Printing & Stationery	6,251,322	4,465,375
Rent, Rates & Taxes	50,255,845	46,397,178
Repairs & Maintenance	2,723,649	1,658,145
	170,727,112	162,103,589
Total	768,133,729	695,793,826

35.1 Other Disclosures
a) Auditors Remuneration

Sr. No.	Particulars	Year Ended 31st March, 2019	Year Ended 31st March, 2018
1	Statutory Auditors		
(i)	Audit Fees	2,323,468	2,315,075
(ii)	Limited Review Report Fees	75,000	-
(iii)	Certification and Consultancy Fees	150,000	70,000
	Total	2,548,468	2,385,075

NOTES to the Consolidated Financial Statements for the year ended 31st March, 2019

(Amounts in Rupees unless stated otherwise)

b) Expenditure incurred on Corporate Social Responsibility

Details of expenditure on Corporate Social Responsibility Activities as per Section 135 of the Companies Act, 2013 read with Schedule III are as below :

Sr. No.	Particulars	Year Ended 31st March, 2019	Year Ended 31st March, 2018
(i)	Farmers Education	2,370,839	1,556,482
(ii)	Farmers Call Centre	-	787,057
(iii)	Infrastructure	828,405	974,492
(iv)	Sponsorship	10,000	30,000
(v)	Flood Relief	195,278	176,285
		3,404,522	3,524,316

36 EARNINGS PER SHARE (EPS)

The following is a reconciliation of the Equity Shares used in the computation of basic and diluted earnings per Equity Share :

Sr. No.	Particulars	Year Ended 31st March, 2019	Year Ended 31st March, 2018
(i)	Issued Equity Shares	13,004,339	13,004,339
	Weighted Average Shares outstanding - Basic and Diluted	13,004,339	13,004,339

Net Profit available to Equity Shareholders of the Company used in the basic and diluted earnings per share was determined as follows :

Sr. No.	Particulars	Year Ended 31st March, 2019	Year Ended 31st March, 2018
(i)	Profit and Loss after Tax attributable to Equity Shareholders	98,824,646	104,836,475
(ii)	Basic Earning per Equity Share	7.60	8.06
(iii)	Face Value per Equity Share	10	10

37.1 OPERATING LEASE COMMITMENTS (Company is a Lessee)

The Company's significant leasing arrangements are in respect of Operating Leases for Vehicles. These leasing arrangements which are not non-cancellable range upto 60 months generally and are renewable by mutual consent on mutually agreeable terms. The aggregate Lease Rentals payable are charged as "RENT" in Other Administrative Expenses under Note 35.

With regard to Operating Leases for Vehicles, the future minimum lease rentals are as follows.

Sr. No.	Particulars	Total Minimum Lease Payments outstanding as at 31st March, 2019	Total Minimum Lease Payments outstanding as at 31st March, 2018
(a)	Within One year	27,029,453	34,928,642
(b)	Later than One year and not later than Five years	17,019,001	18,385,389
		44,048,454	53,314,031

The above lease rentals are inclusive of GST, Fleet Management, Insurance and Other Charges

37.2 Lease payments recognised in the Statement of Profit and Loss :

Sr. No.	Particulars	Year Ended 31st March, 2019	Year Ended 31st March, 2018
(a)	Minimum Lease Payments (Inclusive of GST, Fleet Management, Insurance and Other Charges)	39,001,610	32,955,233

NOTES to the Consolidated Financial Statements for the year ended 31st March, 2019

(Amounts in Rupees unless stated otherwise)

37.3 General description of Lease terms :

- (a) Lease Rentals are charged on the basis of agreed terms.
- (b) Assets are taken on Lease for a period upto 60 months.

38. RELATED PARTY DISCLOSURES

Related Party Disclosures as per Ind AS 24 issued by the Institute of Chartered Accountants of India

Part - A				
Details of Related Parties				
Sr. No.	Nature of Relationship	Name of the Related Party	Remarks	
1	Key Management Personnel	a) Dr. Rahul Mirchandani c) Mrs. Nitya Mirchandani c) Mr. S. Ramamurthy d) Mr. Qaiser P. Ansari	a) Chairman & Managing Director b) Director c) President & Chief Financial Officer d) Company Secretary & Sr. VP (Legal)	
2	Enterprises over which the Key Management Persons has significant Influence of Control	a) Aries Marketing Ltd. b) Blossoms International Ltd. c) Sreeni Agro Chemicals Ltd. d) Aries East West Nutrients Pvt. Ltd.		
3	Relatives of Key Management Personnel	Name of the Key Management Personnel	Name of the Relative	Relationship
		a) Dr. Rahul Mirchandani	a) Mrs. Nitya Mirchandani b) Master Armaan Mirchandani c) Dr. Jimmy Mirchandani d) Mr. Akshay Mirchandani e) Mr. Amol Mirchandani	Spouse Son Brother Brother Brother
		b) Mrs. Nitya Mirchandani	a) Dr. Rahul Mirchandani b) Master Armaan Mirchandani	Spouse Son

Part - B				
Disclosure of Transactions between the Company and Related Parties				
Sr. No.	Category	Nature of Service	Year Ended 31st March, 2019	Year Ended 31st March, 2018
1	Key Management Personnel	Loan repaid Loan taken Directors Remuneration paid Salary Paid Sitting Fees	30,000,000 30,000,000 17,658,000 8,495,083 340,000	- - 17,570,571 7,395,803 240,000
2	Relatives of Key Management Personnel	Directors Remuneration paid * Legal & Professional Fees (Gross) Sitting Fees Salary Paid	- 8,236,613 67,500 2,944,663	46,867 7,365,475 30,000 1,436,184

* Directors Remuneration paid to Dr. Jimmy Mirchandani upto 2nd April, 2017

NOTES to the Consolidated Financial Statements for the year ended 31st March, 2019

(Amounts in Rupees unless stated otherwise)

Part - C				
Balance Outstanding with Related Parties				
Category	Nature of Outstanding	Name of the Related Party	As at 31st March, 2019	As at 31st March, 2018
Key Management Personnel	Dues to Directors Salary	Dr. Rahul Mirchandani	1,364,885	7,084,529
		Mr. S. Ramamurthy	192,955	187,318
		Mr. Kaiser P. Ansari	116,428	111,030
Relatives of Key Management Personnel	Dues to Directors (including Professional Fees) Salary Salary	Dr. Jimmy Mirchandani	2,842,992	1,481,484
		Mr. Amol Mirchandani	71,700	71,776
		Mr. Akshay Mirchandani	75,139	-

39. Gratuity

UAE Operations

The Liability for Employees is fully provided for in the accounts.

40. Contingent Liability not provided for in the accounts:

- Letters of credit / guarantees given / Bills discounting Rs. 1,823.63 Lakhs.
- Claims against company not acknowledged as debts Rs. 1,210.74 Lakhs which includes tax dues disputed as Rs. 50.03 Lakhs towards sales Tax, Rs. 359.27 Lakhs towards Income Tax Rs. 792.01 Lakhs towards central excise & customs and in Rs. 9.43 Lakhs pertaining to pending suits regarding quality issue.
- The Commissioner of Central Excise, Mumbai had issued Show Cause-Cum-Demand Notices for levy of Excise Duty on clearances of Micronutrients by proposing to classify the same as Plant Growth Regulators under Chapter Heading No. 38.08 of Central Excise Act and thereafter vide his order dated 27th November, 2006 upheld the classification of Micronutrients under chapter heading no 3105 as Fertilizers and consequently cancelled the demand. The Department had preferred appeals against the said orders before CESTAT, Mumbai and the same was decided on 11.06.2018 in File No. E/709/2007 vide Order bearing No. A/86615/2018 dtd. 31.05.2018. The Dept. preferred a civil appeal bearing No. 41393 of 2018 before The Hon'ble Supreme Court of India. The Hon'ble Supreme Court dismissed the Appeal on 14.12.2018 in view of the fact that the Excise authorities have accepted the Order passed by Hyderabad Bench, Central Excise & Service Tax Appellate Tribunal (CESTAT) on 19.06.2017 and did not file an appeal against the said order.
 - (a). The Commissioner of Central Excise, Ahmedabad – II, had passed an order confirming demand of Rs. 3.81 Crores on account of Central Excise duty, interest on the said amount and penalty of like amount i.e. Rs.3.81 Crores on the classification of micronutrient fertilizers relating to the Sanand facility against which the Company has preferred an appeal before the Central Excise and Service Tax Appellate Tribunal (CESTAT), Ahmedabad and the same is pending before CESTAT, Ahmedabad.
 - (b). Similarly the Commissioner of Central GST and Central Excise, Ahmedabad has issued a Show Cause Notice demanding an amount of Rs.18.14 Crores on account of Central Excise Duty on the classification of micronutrient fertilizers relating to the Chhatral facility which is pending before the Hon'ble Commissioner.

The Central Board of Excise and Customs vide their Circular No. 1022/10/2016/CX dated 06/04/2016 have clarified that Micronutrients are not classifiable as Plant Growth Regulators and hence are not classifiable under Chapter Heading No. 38.08 of the Central Excise Act.

In view of legal pronouncement and the above referred Circular, the Show Cause-Cum-Demand Notices are liable to be dropped.

NOTES to the Consolidated Financial Statements for the year ended 31st March, 2019

(Amounts in Rupees unless stated otherwise)

3. The Company has been classifying Sulphur Bentonite under Chapter Heading No. 25030090 as other forms of Sulphur. However, the Customs authorities classified Sulphur Bentonite imported under Chapter Heading No. 25030010 "as recovered byproduct in refining of crude oil". The Additional Commissioner of Customs, Nhava Sheva confirmed the classification under Chapter Heading No. 25030010 and demanded an amount of Rs. 29.91 Lakhs, in addition penalty of like amount i.e. Rs. 29.91 Lakhs along with fine and penalty of Rs. 7.00 Lakhs each on the Chairman & Managing Director and Purchase Manager of the Company.

The Company preferred an appeal before the Commissioner (Appeals) who vide order dated 19/02/2016 while upholding the Department's contention of classifying the product under Chapter Heading No. 25030010 set aside the fine and penalty imposed upon the Company, the Chairman & Managing Director and the Purchase Manager. The Commissioner Appeals also directed to grant benefit vide Sr. No. 60 under Notification No. 21/2002/CUS. The Company has preferred an appeal against the said order to the Customs, Central Excise and Service Tax Tribunal, Mumbai on 19/05/2016 contesting the classification of Sulphur Bentonite under Chapter Heading No. 25030010.

41. Segmental Reporting as per Ind AS - 108

The Company has only One business Segment "Agri Inputs" as its primary segment and hence disclosure of segment-wise information is not required under Ind AS 108 'Operating Segments' notified pursuant to the Companies (Indian Accounting Standard) Rules, 2016 (as amended).

42. Events Occurring after Balance Sheet

a) Dividend proposed to be distributed

(Amount in Rupees unless stated otherwise)

Particulars	Year Ended 31 st March, 2019	Year Ended 31 st March, 2018
Dividend proposed for Equity Shareholders @ Rs. 1.80 per share (Previous Year @ Rs. 2.30 per share)	2,34,07,810	2,99,09,980
Total	2,34,07,810	2,99,09,980

43. The Company has acquired a vehicle in the name of the Director which is yet to be transferred in the name of the Company. The Company has all the ownership rights and Depreciation thereon has been charged at the rates prescribed in the Schedule II to the Companies Act, 2013.
44. Previous Years figures have been regrouped, restated and rearranged wherever necessary so as to make them comparable with the current year.

As per our report of even date

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

For Sandeep Sheth & Associates

Chartered Accountants
Firm Registration No. 120685W

Dr. Rahul Mirchandani

Chairman & Managing Director
DIN 00239057

Prof. R. S. S. Mani

Director
DIN 00527270

Mr. S. Ramamurthy

President & Chief Financial Officer
Membership No. ACA-31200

Sandeep Sheth

Proprietor
Membership No 101903

Dr. Jimmy Mirchandani

Director
DIN 00239021

Mr. C. B. Chhaya

Director
DIN 00968966

Mr. Kaiser P. Ansari

Company Secretary & Senior VP (Legal)
Membership No. ACS-8979

Place : Mumbai

Date : 27th May, 2019

Mrs. Nitya Mirchandani

Director
DIN 06882384

Mr. B.V. Dholakia

Director
DIN 01871816

INDEPENDENT AUDITOR'S REPORT

The Shareholders'

Golden Harvest Middle East FZC

Sharjah Airport International Free Zone

Sharjah – United Arab Emirates

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Golden Harvest Middle East FZC, Sharjah Airport International Free Zone, Sharjah, United Arab Emirates** (the Company), which comprise the statement of financial position as at 31 March 2019, the statement of profit or loss and other comprehensive income, statement of changes in shareholders' funds and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 March 2019 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board For Accountants Code of Ethics for Professional Accountants (IESBA code) together with the ethical requirements that are relevant to our audit of the financial statements in the United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRS). The management is also responsible for such internal controls as it determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Management's responsibility for the financial statements

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Management is responsible for overseeing the Company's financial reporting process.

Auditors' responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually

or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Auditors' responsibility for the Audit of the Financial Statements (Continued)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

We communicate with the management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Prasad Associates
Chartered Accountants

Date: 6 April 2019

Place: Sharjah

STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2019

	Notes	2019 AED	2018 AED
ASSETS			
Non-current assets			
Property, plant and equipment	5	-	-
Investment in subsidiaries	6	2,250,000	2,250,000
		2,250,000	2,250,000
Current assets			
Trade receivables	7	7,896,991	8,367,557
Deposits, advances and prepayments	8	772,135	783,735
Amount due from related parties	9	36,209,098	33,814,227
Advance towards share application money	10	27,849,627	27,849,627
Bank balances	11	66,566	24,705
Total current assets		72,794,417	70,839,851
TOTAL ASSETS		75,044,417	73,089,851
SHAREHOLDERS' FUNDS AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share capital	12	150,000	150,000
Shareholders' current accounts	13	19,211,904	19,211,904
Retained earnings		11,102,375	14,297,733
Reserve fund	14	75,000	75,000
Total shareholders' funds		30,539,279	33,734,637
Non current liabilities			
Provision for employees' terminal benefits	15	32,779	29,679
Total non - current liabilities		32,779	29,679
Current liabilities			
Trade payables and accruals	16	59,432	226,842
Bank borrowings		-	5,880,000
Amount due to related parties	9	44,412,927	33,218,693
Total current liabilities		44,472,359	39,325,535
Total liabilities		44,505,138	39,355,214
TOTAL SHAREHOLDERS' FUNDS AND LIABILITIES		75,044,417	73,089,851

We confirm that we are responsible for these financial statements, including selecting the accounting policies and making judgements underlying them.

For Golden Harvest Middle East FZC

Place: Sharjah
Date : 6 April 2019

Director

The notes on pages 8 to 24 form part of these financial statements.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2019

	Notes	2019 AED	2018 AED
INCOME			
Sales		-	-
Cost of sales		-	-
GROSS PROFIT		-	-
Other income		400	13,436
Total income		400	13,436
EXPENSES			
Administration, selling and general expenses	17	194,642	473,009
Finance charges	18	2,585,485	2,001,415
Total expenses		2,780,127	2,474,424
Net (loss) for the year		(2,779,727)	(2,460,988)

We confirm that we are responsible for these financial statements, including selecting the accounting policies and making judgements underlying them.

For Golden Harvest Middle East FZC

Place: Sharjah
Date : 6 April 2019

Director

NOTES to the Financial Statements for the year ended 31st March 2019

1. LEGAL STATUS AND ACTIVITY

Legal status: Golden Harvest Middle East FZC (the "Company") is a Free Zone Company with limited liability incorporated and licensed at Sharjah Airport International Free (SAIF) Zone, Sharjah pursuant to Sharjah Emiri Decree No 2 of 1995.

The Company was incorporated on 31 October 2004 and operating under Commercial License No. 17353 issued on 18 August 2017 by SAIF Zone Authorities.

Activity: The principal activity of the Company is general trading. The principal place of the business of the Company is located at Saif Suite NE4-39, P.O.Box 9267 Sharjah, United Arab Emirates.

These separate financial statements relates to the operations of Golden Harvest Middle East (FZC) and do not include the results of operations of its subsidiary Company M/s Amarak Chemicals FZC, Fujairah, United Arab Emirates.

Management: The Company is managed by Mr. Akshay Mirchandani, Indian national.

Accounting period: These financial statements relate to the period from 1 April 2018 till 31 March 2019.

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

2.1 New and amended standards adopted by the Company

The Company has applied the following standards and amendments for the first time for their annual reporting period commencing 1 January 2018:

- **IFRS 9 "Financial Instruments"** addresses the classification, measurement and recognition of financial assets and financial liabilities. The standard is effective for accounting periods beginning on or after 1 January 2018.
- **IFRS 15 "Revenue from Contracts with Customers"** deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The standard replaces IAS 18, 'Revenue' and IAS 11, 'Construction contracts' and related interpretations. The standard is effective for annual periods beginning on or after 1 January 2018 and earlier application is permitted. The Company expects IFRS 15 to have an immaterial impact on the provision of services and management income that fall under the scope of IFRS 15.
- Classification and Measurement of Share-based Payment Transactions – Amendments to IFRS 2
- Annual Improvements 2014-2016 cycle
- Transfers to Investment Property – Amendments to IAS 40
- Interpretation 22 Foreign Currency Transactions and Advance Consideration

The Company also elected to adopt the following amendments early:

- Annual Improvements to IFRS Standards 2015-2017 Cycle.

The Company had to change its accounting policies and make certain retrospective adjustments following the adoption of IFRS 9 and IFRS 15. Most of the other amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods. However, had the amendments to IFRS 2 not been adopted in the current period, there would have been a small increase in the share-based payment expense and an associated reduction in tax expense. Future profits could also be affected through the requirement to remeasure the proportion of the share-based payment that would have had to be accounted for as cash-settled under the old rules.

2.2 New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2018 reporting periods and have not been early adopted by the group. The Company's assessment of the impact of these new standards and interpretations is set out below:

IFRS 16 – Leases

IFRS 16 was issued in January 2016. It will result in almost all leases being recognised on the balance sheet by lessees, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases.

The Company's activities as a lessor are not material and hence the Company does not expect any significant impact on the financial statements. However, some additional disclosures will be required from next year.

The Company will apply the standard from its mandatory adoption date of 1 January 2019. The Company intends to apply the simplified transition approach and will not restate comparative amounts for the year prior to first adoption. Right-of-use assets for property leases will be measured on transition as if the new rules had always been applied. All other right-of-use assets will be measured at the amount of the lease liability on adoption (adjusted for any prepaid or accrued lease expenses).

2.2 New standards and interpretations not yet adopted (Continued)

There are no other standards that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Compliance with IFRS

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS. The financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB).

NOTES to the Financial Statements for the year ended 31st March 2019

3.2 Basis of preparation

The financial statements have been prepared on a historical cost basis, except for the following:

- available-for-sale financial assets, financial assets and liabilities (including derivative instruments) certain classes of property, plant and equipment and investment property – measured at fair value;
- assets held for sale – measured at fair value less cost of disposal, and
- defined benefit pension plans – plan assets measured at fair value.

Historical cost is generally based on the fair value of the consideration given in exchange for assets or goods or services.

The principal significant accounting policies applied in these financial statements are set out below:

3.3 Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and identified impairment loss, if any. The cost comprise of purchase price, together with any incidental expense of acquisition or construction.

Subsequent costs are included in the assets carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Major costs incurred in restoring property, plant and equipment to their normal working condition are charged to the statement of comprehensive income during the financial period in which they are incurred.

3.4 Depreciation

The cost of property, plant and equipment is depreciated by equal annual installments over the estimated useful lives of the assets. The estimated useful lives of the assets for the calculation of depreciation are as follows:

Motor vehicle 4 years

The gain or loss on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the statement of comprehensive income.

3.5 Financial instruments

Financial assets and financial liabilities are recognized on the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument

3.6 Financial assets

Financial assets are classified as financial assets at receivables, held-to-maturity financial assets and available-for-sale financial assets, as appropriate. The Company determines the classification of its financial assets at initial recognition.

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the asset.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

Financial assets are derecognised only when the contractual rights to the cash flows from the financial asset expire or the Company transfers substantially all risks and rewards of ownership.

Trade and other receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade receivables originated by the Company are measured at cost. An allowance for credit losses of trade receivable is established when there is objective evidence that the Company will not be able to collect the amounts due. Indicators that the trade receivable are impaired include consistent default in the payments when due, financial difficulties of the customer and other indicators.

When a trade receivable is considered uncollectible, it is written off against the allowance account for credit losses. Subsequent recoveries of amounts previously written off are credited in the statement of income. The carrying value of trade receivable approximate to their fair value due to the short term nature of those receivables.

Cash and cash equivalents

Cash and cash equivalents comprise short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Impairment of financial assets

The Company assesses at each financial position date whether there is objective evidence that a financial asset or group of financial assets is impaired. If there is objective evidence (such as significant financial difficulty of the obligor, breach of contract, or it becomes probable that the debtor will enter bankruptcy), the asset is tested for impairment. The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (that is, the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced through use of an allowance account. The amount of the loss is recognized in statement of income.

In relation to trade receivables, a provision for impairment is made when there is objective evidence (such as the probability of insolvency or significant financial difficulties of the debtor) that the Company will not be able to collect all of the amounts due under the original terms of the invoice. Impaired debts are derecognized when they are assessed as uncollectible.

For debt securities, if any such evidence exists, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognized in profit or loss – is removed from equity and recognized in profit or loss. If, in a subsequent period, the fair value of a debt instrument classified

NOTES to the Financial Statements for the year ended 31st March 2019

as available-for-sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognized in profit or loss, the impairment loss is reversed through the statement of income.

For equity investments, a significant or prolonged decline in the fair value of the security below its cost is also evidence that the assets are impaired. If any such evidence exists the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognized in profit or loss – is removed from equity and recognized in profit or loss. Impairment losses recognized in the statement of income on equity instruments are not reversed through the statement of income.

If in a subsequent period the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed, to the extent that the carrying value of the asset does not exceed its amortized cost at the reversal date. Any subsequent reversal of an impairment loss is recognized in statement of income.

3.7 Financial Liabilities

Liabilities within the scope of IAS 39 are classified as financial liabilities at fair value through profit or loss or other liabilities, as appropriate.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

All loans and borrowings are classified as other liabilities. Initial recognition is at fair value less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method.

Financial liabilities included in trade and other payables are recognized initially at fair value and subsequently at amortized cost. The fair value of a non-interest bearing liability is its discounted repayment amount. If the due date of the liability is less than one year, discounting is omitted.

3.8 Prepayments

Prepayments are carried at cost less any accumulated impairment losses.

3.9 Share capital

Shares are classified as equity when there is no obligation to transfer cash or other assets.

3.10 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied stated net of discounts, returns etc.

Revenue from the sale of goods is recognized when all the following conditions are satisfied:

- (i) the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- (ii) the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;

- (iii) the amount of revenue can be measured reliably;
- (iv) it is probable that the economic benefits associated with the transaction will flow to the Company; and
- (v) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

3.11 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

3.12 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

3.13 Borrowing cost

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

3.14 Interest income and expense

Interest income and expense are recognized within 'finance income' and 'finance costs' in profit or loss using the effective

NOTES to the Financial Statements for the year ended 31st March 2019

interest rate method, except for borrowing costs relating to qualifying assets, which are capitalized as part of the cost of that asset. The Company has chosen to capitalize borrowing costs on all qualifying assets irrespective of whether they are measured at fair value or not.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument, or a shorter period where appropriate, to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Company estimates cash flows considering all contractual terms of the financial instrument (for example, pre-payment options) but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

3.15 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

3.16 Employees' terminal benefits

Termination benefits are paid to employees' when employment is terminated by the Company before the normal retirement date or whenever an employee accepts voluntary retirement in exchange for these benefits.

Provision is made for employees' terminal benefits on the basis prescribed under the U.A.E Labour Law based on employees' salaries and number of years of service. The terminal benefits are paid to employees on termination or completion of their term of employment.

3.17 Foreign currencies

Functional and presentation currency

The financial statements are presented in UAE Dirham (AED), which is the Company's functional and presentation currency.

Transaction and balances

Transactions in foreign currencies are translated into the functional currency using the exchange rates prevailing at the

transaction dates. Monetary assets and liabilities expressed in foreign currencies at the balance sheet date are translated at rates of exchange ruling at the balance sheet date. Exchange differences arising in these cases are dealt with in the statement of income.

3.18 Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. It can also be a present obligation arising from the past events that is not recognized because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

Contingent liabilities are not recognized but are disclosed in the notes to the accounts. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognized as provision.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognized but are disclosed in the notes to the accounts when an inflow of economic benefits is probable. When an inflow is virtually certain, an asset is recognized.

4. SIGNIFICANT ACCOUNTING ESTIMATES

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revisions affect both current and future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet, that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

Impairment of trade receivables and amount due from related parties

An estimate of the collectible amount of trade receivables and amount due from related parties are made when collection of the full amount is no longer probable. For individually significant amounts, this estimation is performed on an individual basis. Amounts which are not individually significant, but which are past due, are assessed collectively and an allowance applied according to the length of time past due, based on historical recovery rates. Any difference between the amounts actually collected in future periods and the amounts expected to be collected will be recognized in the statement of income.

NOTES to the Financial Statements for the year ended 31st March 2019

Impairment of property, plant and equipment

A decline in the value of property, plant and equipment could have a significant effect on the amounts recognized in the financial statements. Management assesses the impairment of property, plant and equipment whenever events or changes in circumstances indicate that the carrying value may not be recoverable.

Factors that are considered important which could trigger an impairment review include the following:

- significant changes in the technology and regulatory environments
- evidence from internal reporting which indicates that the economic performance of the asset is, or will be, worse than expected.

Useful life of property, plant and equipment

The Company's management determines the estimated useful lives of its property, plant and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual value and useful lives annually and future depreciation charge would be adjusted where the management believes the useful lives differ from previous estimates.

5 PROPERTY, PLANT AND EQUIPMENT

AT 31 MARCH 2019

	Motor vehicles # AED	Total AED
Cost:		
at 1 April 2018	33,500	33,500
at 31 March 2019	33,500	33,500
Depreciation:		
at 1 April 2018	33,500	33,500
at 31 March 2019	33,500	33,500
Net book values:		
at 31 March 2019	-	-
at 31 March 2018	-	-

6 INVESTMENTS

(Un-quoted at cost)

Value				
	Name of associate/ subsidiary	Activity	Percentage of holding	2019 AED
(i)	Amarak Chemicals FZC, Fujairah Free Zone, Fujairah (15,000 shares of AED 150)	Manufacture of chemical fertilizers	75%	2,250,000
				2,250,000

At the balance sheet date, Company is holding 75% shares in a subsidiary company M/s Amarak Chemicals FZC, registered in Fujairah Free Zone, Fujairah, United Arab Emirates amounting to AED 2,250,000.

7 TRADE RECEIVABLE

	2019 AED	2018 AED
Trade receivables	7,896,991	8,367,557
	7,896,991	8,367,557

8 PREPAYMENTS AND OTHER RECEIVABLES

	2019 AED	2018 AED
Prepaid expenses	14,072	22,625
Deposits	7,825	2,800
Loans and advances	750,000	758,310
Other receivables	238	-
	772,135	783,735

9 RELATED PARTY TRANSACTIONS

The Company has in the ordinary course of business, entered into trading, financial and service transactions with concerns in which the shareholders' /directors'/manager of the Company or their relatives have an investing / controlling interest.

The prices and terms of these transactions were approved by the management and considered comparable to those charged by third parties. The amount outstanding from related parties are unsecured, which do not attract interest and are payable on demand and amount outstanding to related parties are unsecured, which attract interest at the rate of 6.45% and are payable on demand. No expense has been recognized in the period for bad or doubtful debts in respect of the amounts owed by related parties.

At the end of the reporting period, amount due from/to related parties were as follows:-

Amount due from related parties	2019 AED	2018 AED
Amarak Chemicals FZC, Fujairah	35,006,403	32,235,284
Aries Agro Limited, Mumbai	1,202,695	1,578,943
	36,209,098	33,814,227

Amount due to related parties	2019 AED	2018 AED
Aries Agro Limited	44,412,927	33,218,693
	44,412,927	33,218,693

10 ADVANCE TOWARDS SHARE APPLICATION MONEY

This represents amount paid to the subsidiary Company, Amarak Chemicals FZC, Fujairah Free Zone towards advance for allotment of shares.

NOTES to the Financial Statements for the year ended 31st March 2019

11 BANK BALANCES

	2019 AED	2018 AED
Current account with banks	66,566	24,705
	66,566	24,705

12 SHARE CAPITAL

	2019 AED	2018 AED
Authorised, issued and paid-up capital (1,500 shares of AED 100 each)	150,000	150,000
	150,000	150,000

13 SHAREHOLDERS' CURRENT ACCOUNTS

Shareholders' current account balances do not attract interest and there are no defined repayment arrangements.

14 RESERVE FUND

This represents reserve created out of profit of the Company in accordance with the provisions of Memorandum and Articles of Association of the Company.

15 PROVISION FOR EMPLOYEES' TERMINAL BENEFITS

The provision for end of service benefits for employees is made in accordance with the requirements of the U.A.E. Labour Laws. This is an unfunded defined benefits retirement plan. Employees are entitled to benefits based on length of service and final remuneration. Accrued employees' terminal benefits are payable on termination of employment.

16 TRADE PAYABLES AND ACCRUALS

	2019 AED	2018 AED
Trade payables	-	13,575
Accrued expenses	10,967	54,431
Other payables	48,465	158,836
	59,432	226,842

17 ADMINISTRATION, SELLING AND GENERAL EXPENSES

	2019 AED	2018 AED
Salaries and other benefits	76,697	324,923
Rent expenses	43,900	41,443
Legal and professional charges	38,749	35,502
Communication expenses	16,659	14,832
Other expenses	9,502	48,525
Repairs and maintenance	5,260	2,260
Traveling and conveyance expenses	2,715	4,357
Insurance charges	1,160	1,167
	194,642	473,009

18 FINANCE CHARGES

	2019 AED	2018 AED
Bank charges	6,287	19,555
Interest charges	2,579,198	1,981,860
	2,585,485	2,001,415

19. FINANCIAL INSTRUMENTS

(i) Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of financial asset and financial liability are disclosed in note 3 to the financial statements.

(ii) Fair value

The following table analyses the fair value of financial assets and financial liabilities that are not measured at fair value on recurring basis.

	2019 AED Carrying amount	2018 AED	2019 AED Fair value	2018 AED
Financial assets				
Trade receivables	7,896,991	8,367,557	7,896,991	8,367,557
Deposits and advances	758,063	761,110	758,063	761,110
Amount due from related parties	36,209,098	33,814,227	36,209,098	33,814,227
Cash and bank balances	66,566	24,705	66,566	24,705
	<u>44,930,718</u>	<u>42,967,599</u>	<u>44,930,718</u>	<u>42,967,599</u>
Financial liabilities				
Trade payables and accruals	10,967	68,006	10,967	68,006
Bank borrowings	-	5,880,000	-	5,880,000
Amount due to related parties	44,412,927	33,218,693	44,412,927	33,218,693
	<u>44,423,894</u>	<u>39,166,699</u>	<u>44,423,894</u>	<u>39,166,699</u>

The financial instruments comprise of financial assets and financial liabilities.

The fair value of the financial assets and financial liabilities is included at the amount at which the instrument could be exchanged in a current transaction between knowledgeable willing parties.

Financial assets of the Company include bank balances, trade receivables, deposits, advances and amount due from related parties. Financial liabilities include bank borrowings, amount due to related parties, trade payables and accruals.

The management believes that the fair values of the financial assets and liabilities approximate to their carrying amounts.

20. FINANCIAL RISK MANAGEMENT

Financial risk factors

The risk management function within the Company is carried out in respect of financial risks. Financial risks are risks arising from financial instruments to which the Company is exposed during or at the end of the reporting period. Financial risk comprises market risk (including currency risk, interest rate risk), credit risk and liquidity risk. The primary objectives of the financial risk management function are to establish risk limits,

NOTES to the Financial Statements for the year ended 31st March 2019

and then ensure that exposure to risks stays within these limits.

The identified key risks are as follows:

(i) **Currency risk**

The Company undertakes certain transactions denominated in foreign currencies and hence exposure to exchange rate fluctuations arises.

The majority of the Company's financial assets and financial liabilities are either denominated in local currency (AED) or currencies fixed to the AED. Hence the management believes that there would not be a material impact on the profitability if these foreign currencies weakens or strengthens against the AED with all other variables held constant.

(ii) **Interest rate risk**

The Company's exposure to interest rate risk relates primarily to the Company's borrowings with floating interest rates. The interest rates on bank borrowings are at commercial rates negotiated with banks and are largely subject to regular revision.

(iii) **Liquidity risk**

The Company manages its liquidity risk by ensuring it has sufficient liquid cash balances to meet its payment obligations as they fall due.

The table below summarizes the maturity profile of the Company's financial instruments. The contractual maturities of the financial instruments have been determined on the basis of the remaining period at the end of the reporting period to the contractual maturity date. The maturity profile is monitored by management to ensure adequate liquidity is maintained.

	2019			2018		
	Less than 365 days AED	More than 365 days AED	Total AED	Less than 365 days AED	More than 365 days AED	Total AED
Financial assets						
Non - interest bearing	36,283,727	8,646,991	44,930,718	34,600,042	8,367,557	42,967,599
Interest bearing	-	-	-	-	-	-
	<u>36,283,727</u>	<u>8,646,991</u>	<u>44,930,718</u>	<u>34,600,042</u>	<u>8,367,557</u>	<u>42,967,599</u>
Financial liabilities						
Non - interest bearing	10,967	-	10,967	68,006	-	68,006
Interest bearing	44,412,927	-	44,412,927	39,098,693	-	39,098,693
	<u>44,423,894</u>	<u>-</u>	<u>44,423,894</u>	<u>39,166,699</u>	<u>-</u>	<u>39,166,699</u>

(iv) **Credit risk**

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's credit exposure is continuously monitored and regularly reviewed by the management.

The Company is potentially exposed to concentration of credit risk from its financial assets which comprise principally bank balances, accounts and other receivables and amount due from related parties.

The credit risk on liquid funds is limited because the Company's bank accounts are placed with high credit quality financial institutions.

The credit risk on trade receivables and related parties is subject to credit evaluations and an allowance has been made for doubtful debts. The amounts presented in the statement of financial position are net of allowances for doubtful debts.

21. **CAPITAL COMMITMENTS**

Except for the ongoing business obligations which are under normal course of business against which no loss is expected, there has been no other known capital commitment on Company's financial statements as of reporting date.

22. **CONTINGENT LIABILITIES**

Except for the ongoing business obligations which are under normal course of business against which no loss is expected, there has been no other known contingent liability on Company's financial statements as of reporting date.

23. **COMPARATIVE FIGURES**

Previous year's figures have been regrouped or reclassified wherever necessary to make them comparable to those of the current year.

However such reclassification does not have impact on the previously reported loss or equity.

24. **LEVEL OF PRECISION**

All figures are rounded off to nearest Dirhams (AED).

25. **APPROVAL OF FINANCIAL STATEMENTS**

These financial statements were approved by the shareholders and authorized for issue on 6 April 2019.

For Golden Harvest Middle East FZC

Director

INDEPENDENT AUDITOR'S REPORT

The Shareholders'

Amarak Chemicals FZC

Fujairah Free Zone

Fujairah – United Arab Emirates

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Amarak Chemicals FZC, Fujairah Free Zone, Fujairah, United Arab Emirates** (the Company), which comprise the statement of financial position as at 31 March 2019, the statement of profit or loss and other comprehensive income, statement of changes in shareholders' funds and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

As stated in Note 5 to the financial statements, the factory was not in operation during the year and hence the management of the Company decided not to provide depreciation on factory building, machineries, furniture, fixtures and office equipment. Hence while preparing these financial statements, no deprecation has been provided on the above assets during the year.

In our opinion, except for the effects on the matters referred in the preceding paragraph, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 March 2019 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board For Accountants Code of Ethics for Professional Accountants (IESBA code) together with the ethical requirements that are relevant to our audit of the financial statements in the United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRS). The management is also responsible for such internal controls as it determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Management is responsible for overseeing the Company's financial reporting process.

Auditors' responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that

includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Auditors' responsibility for the Audit of the Financial Statements (Continued)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

We communicate with the management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Prasad Associates
Chartered Accountants

Date: 6 April 2019

Place: Dubai

STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2019

	Notes	2019 AED	2018 AED
ASSETS			
Non-current assets			
Property, plant and equipment	5	30,162,219	30,166,844
Total non-current assets		30,162,219	30,166,844
Current assets			
Trade receivables	6	38,661,520	41,462,076
Deposits, advances and prepayments	7	14,761,904	14,965,553
Bank balances	8	8,386	67,741
Total current assets		53,431,810	56,495,370
TOTAL ASSETS		83,594,029	86,662,214
SHAREHOLDERS' FUNDS AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share capital	9	3,000,000	3,000,000
Shareholders' current accounts	10	4,718,841	4,718,841
Legal reserve	11	905,776	905,776
Retained earnings		3,345,310	6,520,043
Total shareholders' equity		11,969,927	15,144,660
Share application money	12	27,849,627	27,849,627
Total shareholders' funds		39,819,554	42,994,287
Non current liabilities			
Provision for employees' terminal benefits		-	21,120
Total non - current liabilities		-	21,120
Current liabilities			
Trade payables and accruals	13	8,160,019	10,108,895
Amount due to related parties	14	35,614,456	33,537,912
Total current liabilities		43,774,475	43,646,807
Total liabilities		43,774,475	43,667,927
TOTAL SHAREHOLDERS' FUNDS AND LIABILITIES		83,594,029	86,662,214

We confirm that we are responsible for these financial statements, including selecting the accounting policies and making judgements underlying them.

For Amarak Chemicals FZC

Place: Fujairah
Date: 6 April 2019

Director

The notes on pages 8 to 24 form part of these financial statements.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2019

	Notes	2019 AED	2018 AED
INCOME			
Sales		-	17,078,368
Cost of sales		-	(15,164,767)
GROSS PROFIT		-	1,913,601
Other income		-	31,918
Total income		-	1,945,519
EXPENSES			
Administration and general expenses	15	582,821	716,011
Finance charges	16	552,470	1,599,349
Depreciation	5	4,625	25,635
Total expenses		1,139,916	2,340,995
Net (loss) for the year		(1,139,916)	(395,476)

We confirm that we are responsible for these financial statements, including selecting the accounting policies and making judgements underlying them.

For Amarak Chemicals FZC

Place: Fujairah
Date: 6 April 2019

Director

Notes To The Financial Statements For The Year Ended 31 March 2019

1. LEGAL STATUS AND ACTIVITY

Legal status: Amarak Chemicals FZC ("the Company") is a Free Zone Company registered in Fujairah Free Zone in the Emirate of Fujairah with limited liability pursuant to and the Implementing Regulations issued there under by the Fujairah Free Zone Authority.

The Company is operating under license No 2084 issued on 9 September 2007 by Fujairah Free Zone Authority, Fujairah, United Arab Emirates.

Activity: The principal activity of the Company is manufacturing of chemicals and fertilizers. The principal place of business of the Company is located at Fujairah Free Zone, Fujairah, United Arab Emirates.

Management: The Company is managed by Mr. Akshay Mirchandani, Indian National.

Accounting period: These financial statements relate to the period from 1 April 2018 till 31 March 2019.

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

2.1 New and amended standards adopted by the Company

The Company has applied the following standards and amendments for the first time for their annual reporting period commencing 1 January 2018:

- **IFRS 9 "Financial Instruments"** addresses the classification, measurement and recognition of financial assets and financial liabilities. The standard is effective for accounting periods beginning on or after 1 January 2018.
- **IFRS 15 "Revenue from Contracts with Customers"** deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The standard replaces IAS 18, 'Revenue' and IAS 11, 'Construction contracts' and related interpretations. The standard is effective for annual periods beginning on or after 1 January 2018 and earlier application is permitted. The Company expects IFRS 15 to have an immaterial impact on the provision of services and management income that fall under the scope of IFRS 15.
- Classification and Measurement of Share-based Payment Transactions – Amendments to IFRS 2
- Annual Improvements 2014-2016 cycle
- Transfers to Investment Property – Amendments to IAS 40
- Interpretation 22 Foreign Currency Transactions and Advance Consideration

The Company also elected to adopt the following amendments early:

- Annual Improvements to IFRS Standards 2015-2017 Cycle.

The Company had to change its accounting policies and make certain retrospective adjustments following the adoption of IFRS 9 and IFRS 15. Most of the other amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods. However, had the amendments to IFRS 2 not been adopted in the current period, there would have been a small increase in the share-based payment expense and an associated reduction in tax expense. Future profits could also be affected through the requirement to remeasure the proportion of the share-based payment that would have had to be accounted for as cash-settled under the old rules.

2.2 New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2018 reporting periods and have not been early adopted by the group. The Company's assessment of the impact of these new standards and interpretations is set out below:

IFRS 16 – Leases

IFRS 16 was issued in January 2016. It will result in almost all leases being recognised on the balance sheet by lessees, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases.

The Company's activities as a lessor are not material and hence the Company does not expect any significant impact on the financial statements. However, some additional disclosures will be required from next year.

The Company will apply the standard from its mandatory adoption date of 1 January 2019. The Company intends to apply the simplified transition approach and will not restate comparative amounts for the year prior to first adoption. Right-of-use assets for property leases will be measured on transition as if the new rules had always been applied. All other right-of-use assets will be measured at the amount of the lease liability on adoption (adjusted for any prepaid or accrued lease expenses).

There are no other standards that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Compliance with IFRS

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS. The financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB).

Notes To The Financial Statements For The Year Ended 31 March 2019

3.2 Basis of preparation

The financial statements have been prepared on a historical cost basis, except for the following:

- available-for-sale financial assets, financial assets and liabilities (including derivative instruments) certain classes of property, plant and equipment and investment property – measured at fair value;
- assets held for sale – measured at fair value less cost of disposal, and
- defined benefit pension plans – plan assets measured at fair value.

Historical cost is generally based on the fair value of the consideration given in exchange for assets or goods or services.

The principal significant accounting policies applied in these financial statements are set out below:

3.3 Classification of current/non-current

The presentation of assets and liabilities in the statement of financial position are based on current/non-current classification.

An asset is classified as current when it is:

- Expected to be realized or intended to sold or consumed in normal operating cycle;
- Held primarily for the purpose of being traded;
- Expected to be realized within twelve months after the reporting date; or
- Cash or a cash equivalent, unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets shall be classified as non-current.

A liability shall be classified as current when it is:

- Expected to be settled in the entity's normal operating cycle;
- Held primarily for the purpose of being traded;
- Due to be settled within twelve months after the reporting date;
- There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other liabilities shall be classified as non-current.

3.4 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and identified impairment loss, if any. The cost comprise of purchase price, together with any incidental expense of acquisition or construction.

Subsequent costs are included in the assets carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be

measured reliably. Major costs incurred in restoring property, plant and equipment to their normal working condition are charged to the statement of comprehensive income during the financial period in which they are incurred.

3.5 Depreciation

The cost of property, plant and equipment is depreciated by equal annual installments over the estimated useful lives of the assets. The estimated useful lives of the assets for the calculation of depreciation are as follows:

Building	20 years
Machineries	10 years
Furniture, fixtures and office equipment	5 years
Motor vehicle	4 years

The gain or loss on the disposal or retirement of an item of Property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the statement of comprehensive income.

3.6 Financial instruments

Financial assets and financial liabilities are recognized on the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

3.7 Financial assets

Financial assets are classified as financial assets at receivables, held-to-maturity financial assets and available-for-sale financial assets, as appropriate. The Company determines the classification of its financial assets at initial recognition.

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the asset.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

Financial assets are derecognised only when the contractual rights to the cash flows from the financial asset expire or the Company transfers substantially all risks and rewards of ownership.

Trade and other receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade receivables originated by the Company are measured at cost. An allowance for credit losses of trade receivable is established when there is objective evidence that the Company will not be able to collect the amounts due. Indicators that the trade receivable are impaired include consistent default in the payments when due, financial difficulties of the customer and other indicators.

When a trade receivable is considered uncollectible, it is written off against the allowance account for credit losses. Subsequent

Notes To The Financial Statements For The Year Ended 31 March 2019

recoveries of amounts previously written off are credited in the statement of income. The carrying value of trade receivables approximate to their fair value due to the short term nature of those receivables.

Cash and cash equivalents

Cash and cash equivalents comprise short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Impairment of financial assets

The Company assesses at each financial position date whether there is objective evidence that a financial asset or group of financial assets is impaired. If there is objective evidence (such as significant financial difficulty of the obligor, breach of contract, or it becomes probable that the debtor will enter bankruptcy), the asset is tested for impairment. The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (that is, the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced through use of an allowance account. The amount of the loss is recognized in statement of income.

In relation to trade receivables, a provision for impairment is made when there is objective evidence (such as the probability of insolvency or significant financial difficulties of the debtor) that the Company will not be able to collect all of the amounts due under the original terms of the invoice. Impaired debts are derecognized when they are assessed as uncollectible.

For debt securities, if any such evidence exists, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognized in profit or loss – is removed from equity and recognized in profit or loss. If, in a subsequent period, the fair value of a debt instrument classified as available-for-sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognized in profit or loss, the impairment loss is reversed through the statement of income.

For equity investments, a significant or prolonged decline in the fair value of the security below its cost is also evidence that the assets are impaired. If any such evidence exists the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognized in profit or loss – is removed from equity and recognized in profit or loss. Impairment losses recognized in the income statement on equity instruments are not reversed through the statement of income.

If in a subsequent period the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed, to the extent that the carrying value of the asset does not exceed its

amortized cost at the reversal date. Any subsequent reversal of an impairment loss is recognized in statement of income.

3.8 Financial Liabilities

Liabilities within the scope of IAS 39 are classified as financial liabilities at fair value through profit or loss or other liabilities, as appropriate.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

All loans and borrowings are classified as other liabilities. Initial recognition is at fair value less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method.

Financial liabilities included in trade and other payables are recognized initially at fair value and subsequently at amortized cost. The fair value of a non-interest bearing liability is its discounted repayment amount. If the due date of the liability is less than one year, discounting is omitted.

3.9 Prepayments

Prepayments are carried at cost less any accumulated impairment losses.

3.10 Share capital

Shares are classified as equity when there is no obligation to transfer cash or other assets.

3.11 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

3.12 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied stated net of discounts, returns etc.

Revenue from the sale of goods is recognized when all the following conditions are satisfied:

- (i) the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- (ii) the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- (iii) the amount of revenue can be measured reliably;
- (iv) it is probable that the economic benefits associated with the transaction will flow to the Company; and

Notes To The Financial Statements For The Year Ended 31 March 2019

- (v) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

3.13 Interest income and expense

Interest income and expense are recognized within 'finance income' and 'finance costs' in profit or loss using the effective interest rate method, except for borrowing costs relating to qualifying assets, which are capitalized as part of the cost of that asset. The Company has chosen to capitalize borrowing costs on all qualifying assets irrespective of whether they are measured at fair value or not.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument, or a shorter period where appropriate, to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Company estimates cash flows considering all contractual terms of the financial instrument (for example, pre-payment options) but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

3.14 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

3.15 Employees' terminal benefits

Termination benefits are paid to employees' when employment is terminated by the Company before the normal retirement date or whenever an employee accepts voluntary retirement in exchange for these benefits.

Provision is made for employees' terminal benefits on the basis prescribed under the U.A.E Labour Law based on employees' salaries and number of years of service. The terminal benefits are paid to employees on termination or completion of their term of employment.

3.16 Foreign currencies

Functional and presentation currency

The financial statements are presented in UAE Dirham (AED), which is the Company's functional and presentation currency.

Transaction and balances

Transactions in foreign currencies are translated into the functional currency using the exchange rates prevailing at the transaction dates. Monetary assets and liabilities expressed in foreign currencies at the balance sheet date are translated at rates of exchange ruling at the balance sheet date. Exchange differences arising in these cases are dealt with in the income statement.

3.17 Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. It can also be a present obligation arising from the past events that is not recognized because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

Contingent liabilities are not recognized but are disclosed in the notes to the accounts. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognized as provision.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognized but are disclosed in the notes to the accounts when an inflow of economic benefits is probable. When an inflow is virtually certain, an asset is recognized.

4. SIGNIFICANT ACCOUNTING ESTIMATES

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revisions affect both current and future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet, that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

Notes To The Financial Statements For The Year Ended 31 March 2019

Impairment of trade receivables

An estimate of the collectible amount of trade receivables and amount due from related parties are made when collection of the full amount is no longer probable. For individually significant amounts, this estimation is performed on an individual basis. Amounts which are not individually significant, but which are past due, are assessed collectively and an allowance applied according to the length of time past due, based on historical recovery rates. Any difference between the amounts actually collected in future periods and the amounts expected to be collected will be recognized in the income statement.

Impairment of property, plant and equipment

A decline in the value of property, plant and equipment could have a significant effect on the amounts recognized in the financial statements. Management assesses the impairment of Property, plant and equipment whenever events or changes in circumstances indicate that the carrying value may not be recoverable.

Factors that are considered important which could trigger an impairment review include the following:

- significant changes in the technology and regulatory environments
- evidence from internal reporting which indicates that the economic performance of the asset is, or will be, worse than expected.

Useful life of property, plant and equipment

The Company's management determines the estimated useful lives of its property, plant and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual value and useful lives annually and future depreciation charge would be adjusted where the management believes the useful lives differ from previous estimates.

5. PROPERTY, PLANT AND EQUIPMENT

Movement in property, plant and equipment are given on page number 24.

During the year, the factory was not in operation and hence the management of the Company decided not to provide depreciation on factory buildings, machineries, furniture, fixtures, and office equipment. Accordingly, while preparing these financial statements, no depreciation has been provided on the above assets during the year.

Movement in property, plant and equipment are given on page number 21.

Motor vehicles purchased under financing arrangements are subject to a charge.

6 TRADE RECEIVABLES

	2019 AED	2018 AED
Trade receivables	38,661,520	41,462,076
	38,661,520	41,462,076

7 DEPOSITS, ADVANCES AND PREPAYMENTS

	2019 AED	2018 AED
Prepaid expenses	194,711	368,207
Deposits	31,000	57,750
Advance paid to suppliers	14,533,596	14,533,596
Other receivables	2,597	6,000
	14,761,904	14,965,553

8 CASH AND BANK BALANCES

	2019 AED	2018 AED
Current account with banks	8,386	67,741
	8,386	67,741

9 SHARE CAPITAL

	2019 AED	2018 AED
Authorised, issued and paid-up capital (20,000 shares of AED 150 each)	3,000,000	3,000,000
	3,000,000	3,000,000

10 SHAREHOLDERS' CURRENT ACCOUNTS

Shareholders' current account balances do not attract interest and there are no defined repayment arrangements.

11 LEGAL RESERVE

This represents reserve created out of profit of the Company in accordance with the provisions of Memorandum and Articles of Association of the Company.

12 SHARE APPLICATION MONEY

Share application money represents amount received from Golden Harvest Middle East FZC, Sharjah Airport International Free Zone, United Arab Emirates, a shareholder of the Company towards advance for allotment of shares of the Company.

13 TRADE PAYABLES AND ACCRUALS

	2019 AED	2018 AED
Trade payables	2,574,298	3,754,893
Accrued expenses	7,875	13,036
Other payables	5,577,846	6,340,966
	8,160,019	10,108,895

Notes To The Financial Statements For The Year Ended 31 March 2019

14 RELATED PARTY TRANSACTIONS

The Company has in the ordinary course of business, entered into trading, financial and service transactions with concerns in which the shareholders' /directors'/manager of the Company or their relatives have an investing / controlling interest.

The prices and terms of these transactions were approved by the management and considered comparable to those charged by third parties. The amounts outstanding to related parties are unsecured, which do not attract interest and are payable on demand. No expense has been recognized in the period for bad or doubtful debts in respect of the amounts owed by related parties.

At the end of the reporting period, amount due to related parties were as follows:-

	2019 AED	2018 AED
Golden Harvest Middle East FZC (net)	35,006,403	32,235,284
Aries Agro Ltd, Mumbai, India (net)	608,053	1,302,628
	35,614,456	33,537,912

15 ADMINISTRATION AND GENERAL EXPENSES

	2019 AED	2018 AED
Rent expenses	428,869	402,189
Repairs and maintenance	50,000	2,434
Office expenses	42,400	25,644
Legal and professional charges	39,458	76,126
Salaries and other benefits	11,286	107,365
Communication expenses	5,295	29,719
Travelling expenses	4,178	1,892
Water and electricity charges	821	7,336
Other expenses	514	16,408
Vehicle running expenses	-	42,098
Insurance charges	-	4,800
	582,821	716,011

16 FINANCE CHARGES

	2019 AED	2018 AED
Bank charges	12,590	11,271
Interest expenses	539,880	1,588,078
	552,470	1,599,349

17. FINANCIAL INSTRUMENTS

(i) Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of

measurement and the basis on which income and expenses are recognized, in respect of each class of financial asset and financial liability are disclosed in note 3 to the financial statements.

(ii) Fair value

The following table analyses the fair value of financial assets and financial liabilities that are not measured at fair value on recurring basis.

	2019 AED		2018 AED	
	Carrying value	Fair Value	Carrying value	Fair Value
Financial Assets				
Trade receivables	38,661,520	38,661,520	41,462,076	41,462,076
Deposits and advances	33,597	33,597	63,750	63,750
Cash and bank balances	8,386	8,386	67,741	67,741
	38,703,503	38,703,503	41,593,567	41,593,567
Financial Liabilities				
Trade payables and accruals	8,160,019	8,160,019	10,108,895	10,108,895
Amount due to related parties	35,614,456	35,614,456	33,537,912	33,537,912
	43,774,475	43,774,475	43,646,807	43,646,807

The financial instruments comprise of financial assets and financial liabilities.

The fair value of the financial assets and financial liabilities is included at the amount at which the instrument could be exchanged in a current transaction between knowledgeable willing parties.

Financial assets of the Company include bank balances, trade receivables, deposits and advances. Financial liabilities include amounts due to related parties, trade payables and accruals.

The management believes that the fair values of the financial assets and liabilities approximate to their carrying amounts.

18. FINANCIAL RISK MANAGEMENT

Financial risk factors

The risk management function within the Company is carried out in respect of financial risks. Financial risks are risks arising from financial instruments to which the Company is exposed during or at the end of the reporting period. Financial risk comprises market risk (including currency risk), credit risk and liquidity risk. The primary objectives of the financial risk management function are to establish risk limits, and then ensure that exposure to risks stays within these limits.

The identified key risks are as follows:

(i) Currency risk

The Company undertakes certain transactions denominated in foreign currencies and hence exposure to exchange rate fluctuations arises.

Notes To The Financial Statements For The Year Ended 31 March 2019

The majority of the Company's financial assets and financial liabilities are either denominated in local currency (AED) or currencies fixed to the AED. Hence the management believes that there would not be a material impact on the profitability if these foreign currencies weakens or strengthens against the AED with all other variables held constant.

(ii) Liquidity risk

The Company manages its liquidity risk by ensuring it has sufficient liquid cash balances to meet its payment obligations as they fall due.

The table below summarizes the maturity profile of the Company's financial instruments. The contractual maturities of the financial instruments have been determined on the basis of the remaining period at the end of the reporting period to the contractual maturity date. The maturity profile is monitored by management to ensure adequate liquidity is maintained.

	2019			2018		
	Less than 365 days AED	More than 365 days AED	Total AED	Less than 365 days AED	More than 365 days AED	Total AED
Financial assets						
Non - interest bearing	41,983	38,661,520	38,703,503	6,223,803	35,369,764	41,593,567
Interest bearing	-	-	-	-	-	-
	<u>41,983</u>	<u>38,661,520</u>	<u>38,703,503</u>	<u>6,223,803</u>	<u>35,369,764</u>	<u>41,593,567</u>
Financial liabilities						
Non - interest bearing	43,774,475	-	43,774,475	43,646,807	-	43,646,807
Interest bearing	-	-	-	-	-	-
	<u>43,774,475</u>	<u>-</u>	<u>43,774,475</u>	<u>43,646,807</u>	<u>-</u>	<u>43,646,807</u>

(iii) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's credit exposure is continuously monitored and regularly reviewed by the management.

The Company is potentially exposed to concentration of credit risk from its financial assets which comprise principally bank balances, trade and other receivables.

The credit risk on liquid funds is limited because the Company's bank accounts are placed with high credit quality financial institutions.

The credit risk on trade receivables and related parties is subject to credit evaluations and an allowance has been made for doubtful debts. The amounts presented in the statement of financial position are net of allowances for doubtful debts.

19. CAPITAL COMMITMENTS

Except for the ongoing business obligations which are under normal course of business against which no loss is expected, there has been no other known capital commitment on Company's financial statements as of reporting date.

20. CONTINGENT LIABILITIES

Except for the ongoing business obligations which are under normal course of business against which no loss is expected, there has been no other known contingent liability on Company's financial statements as of reporting date.

21. COMPARATIVE FIGURES

Previous year's figures have been regrouped or reclassified wherever necessary to make them comparable to those of the current year.

However such reclassification does not have impact on the previously reported loss or equity.

22. LEVEL OF PRECISION

All figures are rounded off to nearest Dirhams (AED).

23. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved by the shareholders and authorized for issue on 6 April 2019.

Notes To The Financial Statements For The Year Ended 31 March 2019

5 PROPERTY, PLANT AND EQUIPMENT

	Building	Machineries	Furniture, fixtures and office equipments	Motor vehicles	Total
	AED	AED	AED	AED	AED
Cost:					
at 1 April 2018	14,776,069	36,601,101	167,985	18,500	51,563,655
at 31 March 2019	14,776,069	36,601,101	167,985	18,500	51,563,655
Depreciation:					
at 1 April 2018	4,469,389	16,755,147	167,985	4,290	21,396,811
charge for the year	-	-	-	4,625	4,625
at 31 March 2019	4,469,389	16,755,147	167,985	8,915	21,401,436
Net book values:					
at 31 March 2019	10,306,680	19,845,954	-	9,585	30,162,219
at 31 March 2018	10,306,680	19,845,954	-	14,210	30,166,844

NOTICE OF 13th ANNUAL GENERAL MEETING

Notice is hereby given that the Thirteenth Annual General Meeting of the Members of **ARIES AGRO CARE PRIVATE LIMITED** will be held on Friday, 27th September, 2019 at 10.30 AM at the Registered office of the Company at Aries House, Plot No. 24, Deonar, Govandi (East), Mumbai -400 043 to transact the following Ordinary Business:-

1. To receive, consider, approve and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2019, together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint Director in place of Prof. R. S. S. Mani (DIN 00527270) who retires by rotation and being eligible offers himself for re-appointment.
3. **Re-Appointment of Auditors**

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

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, M/s. Kirti D. Shah & Associates, Chartered Accountants, Mumbai, (Membership No. 32371, be and is hereby re-appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the Eighteenth Annual General Meeting of the Company to be held in the year 2024 at such Remuneration plus Service Tax, Out-of-Pocket, Travelling Expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

**By Order of the Board
For Aries Agro Care Private Limited**

**Dr. Rahul Mirchandani
Director
DIN: 00239057**

Place: Mumbai
Date: 24th May, 2018

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. THE PROXY IN ORDER TO BE EFFECTIVE SHOULD BE LODGED WITH THE COMPANY AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

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

Item No. 3

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

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

The Board of Directors at their Meeting held on 24th May, 2019 have recommended re-appointment of M/s. Kirti D. Shah & Associates, Chartered Accountants, Mumbai, (Membership No. 32371) as Company's Statutory Auditor to audit accounts for another term of 5(Five) Years from the conclusion of ensuing Annual General Meeting till the conclusion of the Annual General Meeting to be held in the year 2024.

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

Accordingly, approval of the Members is being sought for proposal contained in the Resolution set out at item No. 3 of the Notice.

The Board commends the resolution at Item No.3 for approval by the Members.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.3 of the Notice.

BOARD'S REPORT

To,
The Members of
Aries Agro Care Private Limited.

Your Directors present their Thirteenth Annual Report together with Audited Financial Statements of the Company for the Financial Year ended 31st March, 2019.

1. FINANCIAL RESULTS :

During the year under review the Company did not do any business and did not have any Income. But the Company has incurred a loss of Rs. 2,42,229/- as compared to the Loss of Rs. 44,678/- in the Previous Year.

2. CURRENT STATUS

In view of the extremely volatile nature of the seeds business, the business of the Company stood suspended during the year.

3. DIVIDEND AND TRANSFER TO RESERVE :

Since the Company has incurred losses the question of Dividend and Transfer to Reserve does not arise.

4. DEPOSITS :

The Company has not accepted any Deposits from the Public.

5. PARTICULARS OF EMPLOYEES & RELATED DISCLOSURES

The Company did not have any Managing Directors or Executive/Whole Time Directors or any Employees who were in receipt of remuneration in excess of the provisions under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014,

6. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT UNDER SECTION 186

The Company has not given any Loans or given Guarantees or made Investments in terms of provisions of Section 186 of the Companies Act, 2013

7. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

As there was no business activity in the Company during the Financial Year 2018-19, there were no Contracts or Arrangements with Related Parties except the advance given by the group company to meet with the operational expenses.

8. RISK MANAGEMENT POLICY AND ITS IMPLEMENTATION

Since there is no business activity in the Company and there is no risk which may affect the Company and as the Company is an Un-listed Company no Risk Management Policy has been framed.

9. CORPORATE SOCIAL RESPONSIBILITY

The Company is not covered within provisions of Section 135 of the Companies Act, 2013 and rules framed thereunder.

10. MATERIAL ORDERS PASSED

No material Orders have been passed by any Authorities in respect of any matters with regards to the business of the Company.

11. INTERNAL FINANCIAL CONTROL

The Company has in place adequate Internal Financial Controls commensurate with the size of the Company with reference to Financial Statements.

12. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO :

Since the Company did not have any business activity and there were no Foreign Exchange earning, expenditure or outflow, the Particulars in respect of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo, as required to be disclosed by the Companies(Accounts) Rules, 2014, are not applicable.

13. DIRECTORS & KEY MANAGERIAL PERSONNEL:

In accordance with the Companies Act, 2013 and the Articles of Association of the Company, Prof R. S. S. Mani (DIN 00527270) retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. Accordingly his re-appointment forms part of the Notice of ensuing AGM.

The Company does not have any Managing Directors or Executive/Whole Time Directors or any Key Managerial Personnel..

The Company is not required to appoint Independent Director within provisions of Section 149 of the Companies Act, 2013 and rules framed thereunder.

14. MEETINGS OF BOARD

Four Meetings of the Board of Directors were held during the year on 15.05.2018, 03.09.2018, 23.11.2018 and 13.02.2019.

15. AUDITORS :

M/s. Kirti D. Shah & Associates, Chartered Accountants, Mumbai,(Membership No. 32371), were appointed as the Statutory Auditors of the Company for a period of 5(five) years at the 8th Annual General Meeting of the Company held on 22nd September, 2014 and their term is due to expire at the conclusion of the ensuing Annual General Meeting.

The Board of Directors at their meeting held on 24th May, 2019 have recommended re-appointment of M/s. Kirti D. Shah & Associates, Chartered Accountants, Mumbai,(Membership No. 32371) as Company's Statutory Auditor to audit accounts for another term of 5(Five) Years from the conclusion of ensuing Annual General Meeting till the conclusion of the Annual General Meeting to be held in the year 2024.

Accordingly, Members approval is sought for re-appointment M/s. Kirti D. Shah & Associates, as Auditors of the Company in the Resolution set out at item No. 3 of the Notice.

16. AUDITORS' REPORT

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

17. DIRECTORS' RESPONSIBILITY STATEMENTS

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

1. in preparation of the Annual Accounts, applicable Accounting Standards have been followed and that there are no material departures
2. they have selected such Accounting Policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the State of the Affairs of the Company at the end of the financial year and of the Loss of the Company for that year;
3. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. they have prepared the Annual Accounts on a 'going concern' basis.
5. they have laid down Internal Financial Controls to be followed by the Company and such Internal Financial Controls are adequate and operating effectively;
6. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

18. EXTRACTS OF ANNUAL RETURN

As provided under Section 92(3) of the Companies Act, 2013 the Extract of the Annual Return is given in **Annexure-I** in prescribed Format MGT-9, which forms part of this Report. The Company does not have any web site.

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

RELATE

No material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this Report.

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

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

21. MAINTENANCE OF COST RECORDS

The Company is not required to maintain Cost Records as specified under Section 148 of the Companies Act, 2013 and the Rules framed thereunder.

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

The Company does not have any Employee, hence the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder, are not applicable,

23. ACKNOWLEDGEMENT :

Your Directors would like to express their grateful appreciation for the co-operation and assistance received from the Holding Company i.e. M/S Aries Agro Limited and other related agencies.

By Order of the Board
For **Aries Agro Care Private Limited**

Dr. Jimmy Mirchandani
Director
DIN: 00239021

Dr. Rahul Mirchandani
Director
DIN: 00239057

Place : Mumbai
Date : 24th May, 2019

FORM NO. MGT – 9
EXTRACT OF ANNUAL RETURN
As on the financial year ended 31.03.2019

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

I. REGISTRATION AND OTHER DETAILS

CIN	U01122MH2007PTC166761
Registration Date	5 th January, 2007
Name of the Company	ARIES AGRO CARE PRIVATE LIMITED
Category / Sub-Category of the Company	COMPANY LIMITED BY SHARES /INDIAN NON-GOVERNMENT COMPANY
Address of the Registered Office and contact details	Aries House, Plot No. 24, Deonar, Govandi(E), Mumbai-400 043 Phone No. 022 2556 4052/53 Fax No. 022 2556 4054/2557 1711
Whether listed Company	NO
Name, address and contact details of Registrar and Transfer Agent, if any	Not Applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No	Name and Description of main products / Services	NIC Code of the Product/ Service	% to total turnover of the Company
1	Seeds	1209	0.00

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name of the Company	Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	%tage of Shares held	Applicable Section
1.	Aries Agro Limited	Aries House, Plot No. 24, Deonar, Govandi(E), Mumbai-400 043	L99999MH1969PLC014465	Holding	100	2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**(i) Category wise shareholding**

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2018				No. of Shares held at the end of the year 31.03.2019				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.PROMOTERS									
(1) Indian									
a) Individual/HUF	0	0	0	0	0	0	0	0	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt (s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	10000	10000	100	0	10000	10000	100	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other....	0	0	0	0	0	0	0	0	0
Sub-total (A) (1):-	0	10000	10000	100	0	10000	10000	100	0
(2) Foreign	-	-	-	-	-	-	-	-	-
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other – Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other....	0	0	0	0	0	0	0	0	0
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	0	10000	10000	100	0	10000	10000	100	0

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2018				No. of Shares held at the end of the year 31.03.2019				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. PUBLIC SHAREHOLDING									-
1. Institutions									-
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual Shareholders holding nominal share capital upto ` 1 lakh	0	0	0	0	0	0	0	0	0
ii) Individual Shareholders holding nominal share capital in excess of ` 1 lakh	0	0	0	0	0	0	0	0	0
c) Others Directors and Relatives	0	0	0	0	0	0	0	0	0
i) Shares held by Pakistani citizens vested with the Custodian of Enemy Property	0	0	0	0	0	0	0	0	0
ii) Other Foreign Nationals	0	0	0	0	0	0	0	0	0
iii) Foreign Bodies	0	0	0	0	0	0	0	0	0
iv) NRI / OCBs	0	0	0	0	0	0	0	0	0
v) Clearing Members / Clearing House	0	0	0	0	0	0	0	0	0
vi) Trusts	0	0	0	0	0	0	0	0	0
vii) Limited Liability Partnership	0	0	0	0	0	0	0	0	0
viii) Foreign Portfolio Investor (Corporate)	0	0	0	0	0	0	0	0	0
ix) Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
Sub-Total (B)(2):	0	0	0	0	0	0	0	0	0
Total Public Shareholding (B)=(B)(1)+(B)(2)	0	0	0	0	0	0	0	0	0
C. SHARES HELD BY CUSTODIAN FOR GDRS & ADRS	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	0	10000	10000	100.00	0	10000	10000	100.00	-

(ii) **Shareholding of Promoters**

Shareholder's Name	No. of Shares held at the beginning of the year 01.04.2018			No. of Shares held at the end of the year 31.03.2019			% Change during the year
	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
Aries Agro Limited	10000	100	0	10000	100	0	0
Total	10000	100	0	10000	100	0	0

(iii) **Change in Promoters' Shareholding**

There is no change in Promoter's Shareholding between 01.04.2018 to 31.03.2019.

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

Sr. No	Shareholder's Name *	Shareholding at the beginning of the year 01.04.2018		Shareholding at the end of the year 31.03.2019	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Aries Agro Limited	10000	100	10000	100
	Total				

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

Sr. No	Shareholder's Name	Shareholding at the beginning of the year 01.04.2018		Cumulative Shareholding during the year		Date of change in shareholding	Reason for change
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company		
	Directors						
1	NIL						

V. INDEBTEDNESS

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

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial Year				
1. Principal Amount	NIL	59,34,449	NIL	59,34,449
2. Interest Due but not Paid	NIL	NIL	NIL	NIL
3. Interest accrued but not due	NIL	NIL	NIL	NIL
Total(1+2+3)	NIL	59,34,449	NIL	59,34,449
Change in Indebtedness during the Financial Year				
1. Addition	NIL	2,32,101	NIL	2,32,101
2. Reduction	NIL	NIL	NIL	NIL
Net Change	NIL	2,32,101	NIL	2,32,101
Indebtedness at the end of the Financial Year				
1. Principal Amount	NIL	61,66,550	NIL	61,66,550
2. Interest Due but not Paid	NIL	NIL	NIL	NIL
3. Interest accrued but not due	NIL	NIL	NIL	NIL
Total(1+2+3)	NIL	61,66,550	NIL	61,66,550

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

The Company does not have any Managing Director/Executive Director/Whole Time Director and hence question of payment of Remuneration does not arise.

B. Remuneration to other Directors:

No Remuneration has been paid to Non-Executive Directors.

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

The Company does not have any Key Managerial Personnel other than Managing Director/ Executive Director/Whole Time Director hence no Remuneration has been paid

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

There were no penalties, punishment or compounding of offences during the year ended 31st March, 2019

For and on behalf of the Board,

Place: Mumbai
Date: 24th May, 2019

Dr. Jimmy Mirchandani
Director
DIN: 00239021

Dr. Rahul Mirchandani
Director
DIN: 00239057

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

ARIES AGRO CARE PRIVATE LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Aries Agro Care Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Management's Responsibility for the Standalone Financial Statements

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

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of financial statements may be influenced. We consider quantitative materiality and qualitative factors in i) planning the scope of our audit work and in evaluating the results of our work; and ii) to evaluate the effect of any identified misstatements in the financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures

are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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 in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books (and proper returns adequate for the purpose of our audit have been received from branches not visited by us).
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Kirti D. Shah & Associates
Chartered Accountants
(Firm's Registration No. 115133W)

Date: 24th May, 2019
Place: Mumbai

Kirti D. Shah
Proprietor
(Membership No. 032371)

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

The Annexure referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our Independent Auditors’ Report to the members of the Company on the standalone financial statements for the year ended 31st March 2019, we report that:

- i. The Company does not have any Fixed Assets . Accordingly, reporting under clause 3(i) of the order is not applicable to the company.
- ii. There were no inventories during the year. Accordingly, reporting under clause 3 (ii) of the order is not applicable to the company.
- iii. According to the information and explanation given to us, the Company has not granted any loan, secured and unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act,2013. Accordingly, clause 3(iii) of the said order is not applicable to the company
- iv. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, investments, guarantees, and securities.
- v. According to the information and explanations provided by the company, The Company has not accepted deposits from the public. Hence, the question of compliance with the directives issued by Reserve Bank of India and provision of sections 73, 74, 75 and 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 does not arise. No order has been passed by the National Company Law Tribunal or Company Law Board or RBI in this regard.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any services rendered by the company. Thus reporting under clause 3(vi) of the order is not applicable to the company.
- vii. According to the information and explanations given to us and the records of the company examined by us, in our opinion :
 - a. The company is generally regular in depositing statutory dues including Provident Fund, Employee State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess, Goods and Service Tax and any other material statutory dues except occasional/ minor delays. The undisputed liabilities as on 31st March 2019 is for a period exceeding six months from the date of it becoming payable is NIL.
 - (b) There is no disputed liability in respect of tax dues on account of Income Tax, Sales Tax, Service Tax, Customs Duty, Cess, Goods and Service Tax etc.
- viii. The company has not taken any of loans or borrowing from financial institution, banks, and Government or has not issued any debentures. Hence reporting under clause 3(viii) of the order is not applicable to the company.
- ix. According to the information and explanation provided to us, the company did not raise any money by way of initial public offering or further public offer (including debt instruments). The company has not taken any term loans during the year under audit and hence reporting under clause 3(ix) of the order is not applicable to the company.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanations given to us and based on our examination of the records of the company, the company has not paid/provided for managerial remuneration and hence clause 3(xi) of the order is not applicable to the company.
- xii. The company is not a nidhi company. Accordingly, clause 3(xii) of the Order is not applicable to the company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act wherever applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence reporting under clause 3(xiv) of the order is not applicable to the company.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, clause 3(xv) of the Order is not applicable to the company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Kirti D. Shah & Associates
Chartered Accountants

(Firm's Registration No. 115133W)

Kirti D. Shah

Proprietor

(Membership No.032371)

Date: 24th May,2019
Place: Mumbai

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Aries Agro Care of even date)

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

We have audited the internal financial controls over financial reporting of **Aries Agro Care Private Limited** (“the Company”) as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company 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 respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included

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

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

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

Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, 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, 2019, 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.

Date: 24th May, 2019
Place: Mumbai

For **Kirti D. Shah & Associates**
Chartered Accountants

(Firm's Registration No. 115133W)
Kirti D. Shah
Proprietor
(Membership No.032371)

Balance Sheet as on 31st March, 2019

(Amounts in Rupees unless stated otherwise)

Particulars	Note Nos.	As at 31st March 2019	As at 31st March 2018
I. ASSETS			
(1) Current Assets			
(a) Financial Assets			
(i) Cash & Cash Equivalents	3	9,362	15,635
(ii) Other Bank Balances	4	-	15,316
(b) Other Current Assets	5	3,321,085	3,321,085
		3,330,447	3,352,036
TOTAL		3,330,447	3,352,036
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share Capital	6	100,000	100,000
(b) Other Equity	7	(3,053,372)	(2,811,143)
		(2,953,372)	(2,711,143)
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Current Borrowings	8	247,915	15,814
(ii) Trade Payables - (a) Micro, Small & Medium Enterprises	9	-	-
Trade Payables - (b) Others	9	117,269	128,730
(b) Other Current Liabilities	10	5,918,635	5,918,635
		6,283,819	6,063,179
TOTAL		3,330,447	3,352,036
Summary of Significant Accounting Policies	2.1		

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

As per our report of even date

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

Kirti D. Shah
Proprietor
Membership No 32371

Place : Mumbai
Date : 24th May, 2019

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

Dr. Jimmy Mirchandani
Director
DIN 00239021

Dr. Rahul Mirchandani
Director
DIN 00239057

Statement of Profit and Loss for the year ended 31st March, 2019

(Amounts in Rupees unless stated otherwise)

Particulars	Note Nos.	Year Ended 31st March 2019	Year Ended 31st March 2018
I. Expenses :			
(a) Finance Costs	11	30,489	5,328
(b) Other Expenses	12	211,740	39,350
Total Expenses		242,229	44,678
II. Profit / (Loss) Before Tax		(242,229)	(44,678)
III. Profit / (Loss) after Tax		(242,229)	(44,678)
IV. Profit / (Loss) for the period		(242,229)	(44,678)
V. Other Comprehensive Income			
(A) Items that will not be reclassified to Profit or Loss		-	-
(B) Items that will be reclassified to Profit or Loss		-	-
		-	-
VI. Total Comprehensive Income for the period (IV + V)		(242,229)	(44,678)
VII. Earnings per Equity Share	13		
(1) Basic & Diluted		(24.22)	(4.47)
Summary of Significant Accounting Policies	2.1		

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

As per our report of even date

For and on behalf of the Board of Directors of
Aries Agro Care Private Limited

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

Dr. Jimmy Mirchandani
Director
DIN 00239021

Kirti D. Shah
Proprietor
Membership No 32371

Dr. Rahul Mirchandani
Director
DIN 00239057

Place : Mumbai
Date : 24th May, 2019

Statement of Cash Flows for the year ended 31st March, 2019

(Amounts in Rupees unless stated otherwise)

Sr. No.	Particulars	Year Ended 31 March, 2019	Year Ended 31 March, 2018
A)	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit before tax as per Statement of Profit and Loss	(242,229)	(44,678)
	Adjusted for :		
	Finance Costs	30,489	5,328
	Operating Profit before Working Capital Changes	(211,740)	(39,350)
	Adjusted for :		
	Increase / (Decrease) in Trade Payables & Other Current Liabilities	(11,461)	5,954,585
	Cash Generated from Operations	(223,201)	5,915,235
	Net Cash Flow from Operating Activities (A)	(223,201)	5,915,235
B)	CASH FLOW FROM INVESTING ACTIVITIES :		
	Movement in Short Term Loans and Advances & Other Assets	15,316	-
	Net Cash Flow from / (used in) Investing Activities (B)	15,316	-
C)	CASH FLOW FROM FINANCING ACTIVITIES:		
	Current Borrowings (Net)	232,101	(5,905,235)
	Finance Costs	(30,489)	(5,328)
	Net Cash (used in) / from financing activities (C)	201,612	(5,910,563)
	Net Increase in Cash and Cash Equivalents	(6,273)	4,672
	Opening Balance of Cash and Cash Equivalents	15,635	10,963
	Closing Balance of Cash and Cash Equivalents	9,362	15,635

NOTE 1 The above statement has been prepared under the indirect method set out in Ind AS-7 " Statement of Cash Flows ".

:

2 Figures in the bracket indicate cash out flow.

As per our report of even date
For Kirti D. Shah & Associates

 Chartered Accountants
 Firm Registration No. 115133W

Kirti D. Shah

 Proprietor
 Membership No 32371

Place : Mumbai

Date : 24th May, 2019

 For and on behalf of the **Board of Directors** of
Aries Agro Care Private Limited
Dr. Jimmy Mirchandani
Director
 DIN 00239021

Dr. Rahul Mirchandani
Director
 DIN 00239057

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES:

1. Company Overview

Aries Agro Care Private Limited was incorporated in January, 2007 as a Wholly Owned Subsidiary of Aries Agro Limited for carrying business in the Branches of agro protection, agro and seeds etc.

2. Basis of Preparation of Financial Statements

Ministry of Corporate Affairs notified roadmap to implement Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the companies (Indian Accounting Standards) (amendment) Rules, 2016. As per the said roadmap, the Company is required to apply Ind AS for the year ended 31st March, 2018. However, the company has voluntarily adopted Ind AS as from the year 1st April, 2016 with 1st April, 2015 being the date of transition.

a. Statement of Compliance

The Ind AS Standalone Financial Statements comprising Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity, Cash Flow Statement, together with the Notes to accounts along with a summary of the significant accounting policies and other explanatory information for the year ended 31st March, 2018 have been prepared in accordance with the Ind AS as notified above.

For all periods up to and including the year ended 31st March, 2015, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

b. Basis of Measurement - Historic Cost Convention

These Financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities that is measured at fair value (refer accounting policy regarding financial instruments);
- Assets held for sale – measured at fair value less cost to sale;
- Defined benefit plans – plan assets measured at fair value

All assets and liabilities has been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

c. Functional and Presentation Currency

Items included in the Financial Statements of the entity are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). Indian Rupee is the Functional currency of the Company.

The Financial statements are presented in Indian Rupees, which is the Company's presentation currency.

d. Use of Estimates:

The preparation of Financial Statements in accordance with Ind - AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the Balance Sheet and

Statement of Profit and Loss. The actual amounts realized may differ from these estimates. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognized in the period in which the results are known / materialized and, if material, their effects are disclosed in the notes to the Financial Statements.

Estimates and assumptions are required in particular for:

- (i) Determination of the estimated useful life of tangible assets and the assessment as to which components of the cost may be capitalized. Useful life of tangible assets is based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful life is different from that prescribed in Schedule II, it is based on technical advice, taking into account the nature of the asset, estimated usage and operating conditions of the asset, past history of replacement and maintenance support. An assumption also needs to be made, when the Company assesses, whether an asset may be capitalized and which components of the cost of the asset may be capitalized.

(ii) Recognition and measurement of defined benefit obligations:

The obligation arising from the defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined with reference to market yields at the end of the reporting period on the government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

(iii) Recognition of deferred tax assets:

A Deferred tax asset is recognized for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized. The management assumes that taxable profits will be available while recognizing deferred tax assets.

(iv) Recognition and measurement of other provisions:

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in other provisions.

(v) Discounting of long-term financial liabilities

All financial liabilities are required to be measured at fair value on initial recognition. In case of financial liabilities, which are required to be subsequently measured at amortized cost, interest is accrued using the effective interest method.

(vi) Determining whether an arrangement contains a lease:

At the inception of an arrangement, the Company determines whether the arrangement is or contains a lease. At the inception or on reassessment of an arrangement that contains a lease, the Company separates payments and other consideration required by the arrangement into those for the lease and those for the other elements based on their relative fair values. If the Company concludes for a finance lease that, it is impracticable to separate the payments reliably, then an asset and a liability

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

are recognized at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognized using the Company's incremental borrowing rate. In case of operating lease, the Company treats all payments under the arrangement as lease payments.

- e. **Ind - AS 115 "Revenue from Contract with Customers"** :The MCA had notified Ind - AS 115 "Revenue from Contract with Customers" in February, 2015. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to the customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further, the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

f. **Current Versus Non Current Classification:**

- (i) The assets and liabilities in the Balance Sheet are based on current/ non – current classification. An asset as current when it is:
1. Expected to be realized or intended to be sold or consumed in normal operating cycle.
 2. Held primarily for the purpose of trading.
 3. Expected to be realized within twelve months after the reporting period, or
 4. Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non - current.

- (ii) A liability is current when it is:

1. Expected to be settled in normal operating cycle
2. Held primarily for the purpose of trading
3. Due to be settled within twelve months after the reporting period, or
4. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are treated as non - current.

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

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

2.1 Significant Accounting Policies

A. Plant, Property & Equipment:

All the property, plant and equipments have been carried at value in accordance with the previous GAAP. The Company has elected these value as deemed cost at the date of transition to Ind AS.

Property, Plant & Equipment are stated at original cost net of tax/ duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. All costs, including finance costs incurred up to the date the asset is ready for its intended use.

When significant parts of property, plant and equipment are required to be replaced at intervals, the company derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly.

All the other repair and maintenance costs are recognised in the statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision is met.

Property, Plant & Equipment are eliminated from the financial statements either on disposal or when retired from active use. Losses arising in the case of retirement of property, plant and equipment and gains and losses arising from disposal of property, plant and equipment are recognised in the statement of profit and loss in the year of occurrence.

Subsequent expenditure related to an item of Property, Plant & Equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing Property, Plant & Equipment, including routine repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

The Company adjusts exchange differences arising on translation/ settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset.

Gains or losses arising from disposal of Plant, Property and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is disposed.

B. Depreciation & Amortization:

- a. Depreciation on property, plant & equipment is provided over the useful life of assets as specified in schedule II to the companies Act, 2013. In case of Property, plant & Equipment that are added/ disposed off during the year depreciation is provided on pro-rata basis with reference to the month of addition/ deletion.

Leasehold improvements are being depreciated over the lease term or estimated useful life whichever is lower. Used assets acquired from third parties are depreciated on a straight line basis over their remaining useful life of such assets.

- b. Depreciation methods, useful life and residual values are reviewed at each reporting date and adjusted if appropriate.

C. Intangible Assets :

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortised over the irrespective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

The useful lives of intangible assets are assessed as either finite or infinite.

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

economic benefits embodied in the asset is considered to modify the amortized period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with finite useful life are amortized on straight line basis over the useful economic life and assessed for impairment whenever there is any indication that the intangible asset may be impaired.

Intangibles with indefinite useful life, if any are not amortized, but are tested for impairment annually, either individually or at the cash generating unit level.

D. Borrowing Costs :

Borrowing costs that are directly attributable to acquisition, construction or production of a qualifying asset (net of income earned on temporary deployment of funds) are capitalised as a part of the cost of such assets. Borrowing cost consists of interest, other cost incurred in connection with borrowings of fund and exchange differences to the extent regarded as an adjustment to the borrowing cost. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

All other borrowing costs are charged to the Statement of Profit and Loss.

E. Leases

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

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

F. Inventories and WIP:

Inventories are valued at the lower of cost and net realizable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

a. Raw materials and packing materials :

Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected

to be sold at or above cost. Cost is determined on a first-in-first out basis. Customs duty on imported raw materials (excluding stocks in the bonded warehouse) is treated as part of the cost of the inventories. Raw material, store and spares: Cost on FIFO basis or net realizable value, whichever is lower.

b. Work-in-progress and finished goods :

Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty.

c. Traded goods :

Lower of cost and net realizable value. Cost includes the purchase price and other associated costs directly incurred in bringing the inventory to its present location.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

d. Waste and scrap are not separately valued being insignificant in value.

e. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

G. Foreign Currency Transactions and Balances::

The transactions in foreign currency are accounted at the exchange rate i.e. custom rate prevailing on the date of transaction. Exchange fluctuation between the transaction date and settlement date in respect of transactions are transferred to exchange rate difference account and written off to the statement of profit & loss. Exchange difference that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income or expenses in the Statement of Profit and Loss in the period in which they arise.

Current assets and current liabilities involving transactions in foreign currency are converted at the exchange rates prevailing on the date of Balance Sheet. Any profit and loss arising out of such conversion is charged to profit and loss account.

Non-monetary items i.e. investments are converted at the rate prevalent on the date of transaction.

H. Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

The specific recognition criteria described below must also be met before revenue is recognized.

a. Sale of products:

As stated in Ind AS 115, Revenue from sale of products is recognized when the entity transfers the control of goods and services to customers at an amount that the entity expects to be entitled. The Company collects Goods and Service Tax (GST) on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue. Revenue is measured at the fair value of the consideration

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

received or receivable and represents amounts receivable for goods supplied net of discounts, returns etc. Ind AS 115 is based on a five step model as mentioned below.

1. Identify the contract with customer
2. Identify the performance obligation
3. Determine the transactions price
4. Allocate transaction price
5. Recognize Revenue when (or as) performance obligations are satisfied.

b. Interest Income

Interest income is recognized on accrual basis at applicable interest rates. For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payment or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial assets interest income is included in other income in the statement of profit & loss.

c. Dividend income:

Dividend income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

I. Expenditure on new projects and substantial expansion:

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized as part of the indirect construction cost to the extent to which the expenditure is directly related to construction or is incidental there to. Other indirect expenditure (including borrowing costs) incurred during the construction period which is not related to the construction activity nor is incidental thereto is charged to the statement of profit and loss. Income earned during construction period is deducted from the total of the indirect expenditure. All direct capital expenditure on expansion is capitalized. As regards indirect expenditure on expansion, only that portion is capitalized which represents the marginal increase in such expenditure involved as a result of capital expansion. Both direct and indirect expenditure are capitalized only if they increase the value of the asset beyond its original standard of performance.

J. Employee benefits:

a. Short Term Employee Benefits:

Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

Short - term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

b. Post-Employment Benefits:

(i) Defined Contribution Plans:

Retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss for the year when the contributions to the government funds are due. The Company has no obligation other than the contribution payable to provident fund authorities.

(ii) Defined Benefit Plans:

The employees' gratuity fund scheme is the Company's defined benefit plan. The present value of the obligation under the said defined benefit plan is determined on the basis of actuarial valuation from an independent actuary using the Projected Unit Credit Method.

The gratuity benefit of the Company is administered by a trust formed for this purpose through the group gratuity scheme.

Remeasurements comprising of actuarial gain and losses, the effect of the asset ceiling and the return on plan assets (excluding amount included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur.

Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.

Past service cost is recognised in the statement of profit & loss in the period of plan amendment.

Net interest is calculated by applying the discounted rate to the net defined benefit liability or asset.

c. Other Long Term Employee Benefits:

The Company treats accumulated leave expected to be carried forward beyond 12 months, as long -term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

K. Taxes :

a. Current Income Tax:

- (i) Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals.

Current tax comprises of the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of the previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

- has a legally enforceable right to set off the recognised amounts; and
- intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.
- (ii) Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit & loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

b. Deferred taxes:

- (i) Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at the reporting date.
- (ii) The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax liabilities are always provided for in full. Deferred tax assets are recognized to the extent that it is probable that they will be able to be offset against future taxable income. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted at the balance sheet date.

Most changes in deferred tax assets or liabilities are recognized as a component of tax expense in the income statement. Only changes in deferred tax assets or liabilities that relate to a change in value of assets or liabilities that is charged directly to equity are charged or credited directly to equity.

c. Sales/ value added taxes

Expenses and assets are recognised net of the amount of sales/ value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

d. Minimum Alternate Tax

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on "Accounting for Credit Available in respect of Minimum Alternative Tax under

the Income-tax Act, 1961", the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

L. Segment reporting

Identification of segments

The Company's operating businesses are organised and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and services to different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operates.

M. Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and demand deposits with banks which are short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

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

N. Impairment of Non Financial Assets

As at each balance sheet date, the Company assesses whether there is an indication that an asset may be impaired and also whether there is an indication of reversal of impairment loss recognized in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, if any, the Company determines the recoverable amount and impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- In the case of an individual asset, at the higher of the fair value less cost to sell and the value in use; and
- In the case of cash generating unit (a group of assets that generate identified, independent cash flows), at the higher of cash generating unit's fair value less cost to sell and the value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the asset.

In determining fair value less cost disposal, recent market transaction are taken in to account.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.

Intangible assets with indefinite useful lives are tested for impairment annually, as appropriate, and when circumstances indicate that the carrying value may be impaired.

O. Provisions, Contingent Liabilities and Contingent Assets:

A provision is recognized if as a result of a past event the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are not recognized but disclosed in the Financial Statements when economic inflow is probable.

- a. Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if
 - i. the Company has a present obligation as a result of past event,
 - ii. a probable outflow of resources is expected to settle the obligation; and
 - iii. the amount of obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

- b. Contingent liabilities are disclosed in case of:
 - i. a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation,
 - ii. a present obligation arising from past events, when no reliable estimate is possible,
 - iii. a possible obligation arising from past events where the probability of outflow of resources is not remote.
- c. Contingent assets are neither recognized nor disclosed.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions and Contingent Liabilities are recognized / disclosed after an evaluation of the facts and legal aspects and the amounts are reviewed on the Balance Sheet date.

P. Non-current assets held for sale :

Non Current assets are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use.

Non Current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

The criteria for held for sale/ distribution classification is regarded met only when the assets are available for immediate sale/ distribution in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,

- An active programme to locate a buyer and complete the plan has been initiated,
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale to owners are not depreciated or amortized.

Q. Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a. Financial Assets:

(i) Classification

Financial Assets comprises of Investments in Equity and Debt securities, Trade Receivables, Cash and Cash equivalents, Borrowings and other Financial Assets.

(ii) Initial recognition and measurement

All financial assets is recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial Assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

(iii) Subsequent Recognition

a. Financial Assets measured at amortized cost

Financial assets are measured at amortized cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are measured at amortized cost using the effective interest rate (EIR) method.

The EIR amortization is recognized as finance income in the Statement of Profit and Loss.

The Company while applying the above criteria has classified the following at Amortized Cost:

- a) Investment in Debt Instruments
- b. **Financial Assets measured at fair value through other comprehensive income (FVTOCI)**

Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income.

c. **Financial Assets measured at fair value through profit or loss (FVTPL)**

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognized in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

d. Investment in Subsidiary and Associates

Investment in equity instruments of Subsidiaries and Associates are measured at cost. Provision for Impairment loss on such investment is made only when there is a diminution in value of the investment, which is other than temporary.

e. Investment in Debt Instruments

A debt instrument is measured at amortized cost or at FVTPL. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit and loss.

(vi) De-recognition of Financial Assets:

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

b. Financial Liabilities:

(i) Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of loans, borrowings, and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, security deposits and other deposits.

(ii) Subsequent measurement:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity.

All other changes in fair value of such liability are recognised in the statement of profit or loss.

(iii) Loans and Borrowings:

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings

(iv) Derecognition of Financial Liabilities:

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

R. Earnings Per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares, that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

S. Investments:

Investments that are readily realizable and intended to be held for not more than twelve months from the date on which such investments are made are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued.

If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

(Amounts in Rupees unless stated otherwise)

3 CASH AND CASH EQUIVALENTS		As at 31st March 2019	As at 31st March 2018
Balance with Banks in Current Accounts		9,362	15,635
Total		9,362	15,635

4 OTHER BANK BALANCES		As at 31st March 2019	As at 31st March 2018
Fixed Deposits with Banks held as Margin Money (Maturigy less than One Year)		-	15,316
		-	15,316

5 OTHER CURRENT ASSETS		As at 31st March 2019	As at 31st March 2018
(Un-secured and Considered Good)			
Security Deposits		7,000	7,000
Other Advances		3,314,085	3,314,085
Total		3,321,085	3,321,085

- 5.1 Advance to Suppliers includes advances paid to the supplier of seeds M/s Pradham Biotech Private Limited, Hyderabad against whom the Company has filed a winding up petition to recover its dues. The Company is hopeful of positive outcome and hence no provision has been made in the accounts towards this advance.

6 EQUITY SHARE CAPITAL		As at 31st March 2019	As at 31st March 2018
Authorised Share Capital			
10,000 Equity Shares of Rs. 10/- each		100,000	100,000
		100,000	100,000
Issued, Subscribed and Fully Paidup			
10,000 (Previous Year 10,000) Equity Shares of Rs 10/- each.		100,000	100,000
		100,000	100,000

- 6.1 Reconciliation of the number of **Equity Shares** :

Particulars	As at 31st March 2019	As at 31st March 2018
Equity Shares at the beginning of the year	10,000	10,000
Equity Shares at the end of the year	10,000	10,000

- 6.2 **List of Shareholder's holding more than 5 % Shares in the Company :**

Name of the Share Holder	No of Shares	As at 31st March, 2019 % of Holding	No of Shares	As at 31st March, 2018 % of Holding
(i) Aries Agro Limited	10,000	100.00%	10,000	100.00%
	10,000	100.00%	10,000	100.00%

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

Statement of Changes in Equity for the year ended 31st March, 2019

Note No. - 6

(Amounts in Rupees unless stated otherwise)

A	Equity Share Capital	Balance as at 31st March, 2018	Changes in Equity Share Capital during the year	Balance as at 31st March, 2019
		100,000	-	100,000

Note No. - 7

B	Other Equity	Retained Earnings	Items of Other Comprehensive Income	Total
	Balance as at 31 March, 2018	(2,811,143)	-	(2,811,143)
	Add / (Less) : Profit / (Loss) for the year	(242,229)	-	(242,229)
		(242,229)	-	(242,229)
	Balance as at 31 March, 2019	(3,053,372)	-	(3,053,372)
	Balance as at 1st April, 2017	(2,766,465)	-	(2,766,465)
	Add / (Less) : Profit / (Loss) for the year	(44,678)	-	(44,678)
		(44,678)	-	(44,678)
	Balance as at 31 March, 2018	(2,811,143)	-	(2,811,143)

8 CURRENT BORROWINGS

Un-Secured Borrowings

From Related Parties

Total

As at 31st March 2019	As at 31st March 2018
247,915	15,814
247,915	15,814

9 TRADE PAYABLES

Trade Payables - Micro, Small & Medium Enterprises

Trade Payables - Others

Total

As at 31st March 2019	As at 31st March 2018
-	-
117,269	128,730
117,269	128,730

9.1 There are no Micro and Small Enterprises to whom Company owes dues, which are outstanding for more than 45 days as at 31st March, 2019. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

9.2 All Trade Payables are non-interest bearing and payable or settled within normal operating cycle of the Company.

10 OTHER CURRENT LIABILITIES

Other Payables

As at 31st March 2019	As at 31st March 2018
5,918,635	5,918,635
5,918,635	5,918,635

11 FINANCE COSTS

Bank and Finance Charges

Total

Year Ended 31 March, 2019	Year Ended 31 March, 2018
30,489	5,328
30,489	5,328

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

12 OTHER EXPENSES	Year Ended 31 March, 2019	Year Ended 31 March, 2018
Other Administration Expenses		
Audit Fees	17,700	18,150
Legal & Professional Fees	189,440	17,800
Rent, Rates & Taxes	4,600	3,400
Total	211,740	39,350

12.1 Other Disclosures

a) Auditors Remuneration

Sr. No.	Particulars	Year Ended 31 March, 2019	Year Ended 31 March 2018
1	Statutory Auditors		
(i)	Audit Fee	17,700	18,150
(ii)	Taxation Matters	5,900	5,900
		23,600	24,050

13 EARNINGS PER SHARE (EPS)

The following is a reconciliation of the Equity Shares used in the computation of basic and diluted earnings per Equity Share :

Sr. No	Particulars	As At 31st March 2019	As At 31st March 2018
(i)	Issued Equity Shares	10,000	10,000
	Weighted Average Shares outstanding - Basic and Diluted	10,000	10,000

Net Profit available to Equity Shareholders of the Company used in the basic and diluted earnings per share was determined as follows :

Sr. No	Particulars	Year Ended 31 March, 2019	Year Ended 31 March 2018
(i)	Profit and Loss after Tax attributable to Equity Shareholders	(242,229)	(44,678)
(ii)	Basic Earning per Equity Share	(24.22)	(4.47)
(iii)	Face of value of Equity Share	10	10

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

14 RELATED PARTY DISCLOSURES

Related Party Disclosures as per Ind AS 24 issued by the Institute of Chartered Accountants of India

(Amounts in Rupees unless stated otherwise)

Part - A				
Details of Related Parties				
Sr. No.	Nature of Relationship	Name of the Related Party	Remarks	
1	Holding Company	a) Aries Agro Limited	a) Date of becoming Subsidiary of Aries Agro Limited is 5th January, 2007 (Incorporation Date)	
2	Key Management Personnel	a) Dr. Jimmy Mirchandani	a) Director	
		b) Dr. Rahul Mirchandani	b) Director	
3	Relatives of Key Management Personnel	Name of the Key Management Personnel	Name of the Relative	Relationship
		a) Dr. Jimmy Mirchandani	a) Mr. Akshay Mirchandani	Son
			b) Mr. Amol Mirchandani	Son
			c) Dr. Rahul Mirchandani	Brother
		b) Dr. Rahul Mirchandani	a) Mrs. Nitya Mirchandani	Spouse
			b) Mastar Armaan Mirchandani	Son
			c) Dr. Jimmy Mirchandani	Brother
4	Fellow Subsidiaries	a) Aries Agro Equipments Pvt Ltd	a) A wholly owned Subsidiary of Aries Agro Limited	
		b) Golden Harvest Middle East	b) A Subsidiary of Aries Agro Limited	
		c) Amarak Chemicals	c) A Step Down Subsidiary of Aries Agro Limited	
5	Enterprises over which the Key Management Personnel have significant influence or control	a) Aries East West Nutrients Pvt Ltd		
		b) Aries Marketing Ltd		
		c) Blossoms International Ltd		
		d) Sreeni Agro Chemicals Ltd		

Part - B				
Details of Transactions with Related Parties				
Sr. No.	Category	Nature of Service	Year Ended 31st March, 2019	Year Ended 31st March, 2018
1	Holding Company	Loans taken	34,750	-
		Loan repaid	34,750	5,918,635
2	Group Company	Loans taken	-	5,918,635
3	Key Management Personnel	Loans taken	232,101	13,400

Part - C				
Balance Outstanding with Related Parties				
Category	Nature of outstanding	Name of the Related Party	As at 31st March, 2019	As at 31st March, 2018
Group Company	Other Current Liabilities	Aries Agro Equipments Private Limited	5,918,635	5,918,635
Key Management Personnel	Unsecured Loans	Dr. Jimmy Mirchandani	15,814	15,814
		Dr. Rahul Mirchandani	232,101	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

15. Current Assets, Loan & Advances and Provisions

- a) The current assets and loans and advances are approximately of the value stated, if realized in the ordinary course of business.
- b) The provision for all known liabilities is not in excess of the amounts considered reasonably necessary.
- c) The balances of sundry creditors, sundry debtors and loans and advances are subject to confirmation.
- d) The loans and advances includes Rs. 33,14,085/- advanced to M/s Pradham Biotech limited for supply of seeds. The said supplier failed to supply the goods in time. The Company has filed suit for winding up the Company. The Company in view of such suit is hopeful of recovery of all dues. Hence no provision is made in the accounts in respect of such dues.

16. Contingent Liability

- a) Claims against company not acknowledged as debts Rs. 103.64 Lacs which pertains to pending suits regarding alleged dues. [The Company M/s Pradham Biotech Private Limited has filed counter claim in respect of cancellation of order for seeds – See note no. 15(d)]

17. Foreign Exchange Earnings & Outflow:

During the year there were no Foreign Exchange earnings, expenditure or outflow.

18. Micro and Small Scale Business Entities

There are no micro and small Enterprises to whom company owes dues, which are outstanding for more than 45 days as at 31st March, 2019. This Information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

19. Segment Reporting

The Company has only one business segment "Agricultural Seeds" as its primary segment and hence disclosure of segment-wise information is not required under Indian Accounting Standard (Ind AS) 108 – Operating Segments' notified pursuant to the Companies (Indian Accounting Standard) Rules, 2016 (as amended).

- 20. In absence of virtual certainty that sufficient future taxable income will be available for setoff of losses incurred by the company, the company has not taken credit for Deferred tax assets.
- 21. The Previous year's figures are re-arranged and re-grouped wherever is necessary.

As per our report of even date

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

Kirti D. Shah
Proprietor
Membership No 32371

Place : Mumbai
Date : 24th May, 2019

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

Dr. Jimmy Mirchandani
Director
DIN 00239021

Dr. Rahul Mirchandani
Director
DIN 00239057

NOTICE OF 13TH ANNUAL GENERAL MEETING

Notice is hereby given that the Thirteenth Annual General Meeting of the Members of **ARIES AGRO EQUIPMENTS PRIVATE LIMITED** will be held on Friday, 27th September, 2019 at 11.30 a.m. at the Registered office of the Company at Aries House, Plot No. 24, Deonar, Govandi (East), Mumbai-400 043 to transact the following Ordinary Business:-

1. To receive, consider, approve and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2019, together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint Director in place of Prof. R. S. S. Mani(DIN 00527270) who retires by rotation and being eligible offers himself for re-appointment.
3. **Re-Appointment of Auditors**

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

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, M/s. Kirti D. Shah & Associates, Chartered Accountants, Mumbai,(Membership No. 32371, be and is hereby re-appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the Eighteenth Annual General Meeting of the Company to be held in the year 2024 at such Remuneration plus Service Tax, Out-of-Pocket, Travelling Expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors."

**By Order of the Board
For Aries Agro Equipments Private Limited**

**Dr. Rahul Mirchandani
Director
DIN: 00239057**

**Place: Mumbai
Date: 24th May, 2019**

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. THE PROXY IN ORDER TO BE EFFECTIVE SHOULD BE LODGED WITH THE COMPANY AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

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

Item No. 3

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

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

The Board of Directors at their Meeting held on 24th May, 2019 have recommended re-appointment of M/s. Kirti D. Shah & Associates, Chartered Accountants, Mumbai,(Membership No. 32371) as Company's Statutory Auditor to audit accounts for another term of 5(Five) Years from the conclusion of ensuing Annual General Meeting till the conclusion of the Annual General Meeting to be held in the year 2024.

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

Accordingly, approval of the Members is being sought for proposal contained in the Resolution set out at item No. 3 of the Notice.

The Board commends the resolution at Item No.3 for approval by the Members.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.3 of the Notice.

BOARD'S REPORT

To,

The Members of

Aries Agro Equipments Private Limited.

Your Directors present their Thirteenth Annual Report together with Audited Financial Statements of the Company for the Financial Year ended 31st March, 2019.

1. FINANCIAL RESULTS :

During the year under review the Company did not do any business and did not have any Income. But the Company has incurred a loss of Rs. 54,602/- as compared to the Loss of Rs. Rs. 758/- in the Previous Year.

2. CURRENT STATUS :

Due to inadequacy of Distribution Network specifically for Farm Equipments, the business of the Company stood suspended during the year.

3. DIVIDEND AND TRANSFER TO RESERVE :

Since the Company has incurred losses the question of Dividend and Transfer to Reserve does not arise.

4. DEPOSITS :

The Company has not accepted any Fixed Deposits from the Public.

5. PARTICULARS OF EMPLOYEES & RELATED DISCLOSURES

The Company does not have any Managing Directors or Executive/Whole Time Directors or any Employees who were in receipt of remuneration in excess of the provisions under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014,

6. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT UNDER SECTION 186

The Company has not given any Loans or given Guarantees or made Investments in terms of provisions of Section 186 of the Companies Act, 2013

7. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

As there was no business activity in the Company during the Financial Year 2018-19, there were no Contracts or Arrangements with Related Parties.

8. RISK MANAGEMENT POLICY AND ITS IMPLEMENTATION

Since there is no business activity in the Company and there is no risk which may affect the Company and as the Company is an Un-listed Company no Risk Management Policy has been framed.

9. CORPORATE SOCIAL RESPONSIBILITY

The Company is not covered within provisions of Section 135 of the Companies Act, 2013 and rules framed thereunder.

10. MATERIAL ORDERS PASSED

No material Orders have been passed by any Authorities in respect of any matters with regards to the business of the Company.

11. INTERNAL FINANCIAL CONTROL

The Company has in place adequate Internal Financial Controls commensurate with the size of the Company with reference to Financial Statements.

12. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO :

Since the Company does not have any business activity and there were no Foreign Exchange earning, expenditure or outflow, the Particulars in respect of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo, as required to be disclosed by the Companies(Accounts) Rules, 2014, are not applicable.

13. DIRECTORS & KEY MANAGERIAL PERSONNEL:

In accordance with the Companies Act, 2013 and the Articles of Association of the Company, Prof R. S. S. Mani (DIN 00527270) retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. Accordingly his re-appointment forms part of the Notice of ensuing AGM.

The Company does not have any Managing Directors or Executive/Whole Time Directors or any Employees hence question of any Key Managerial Personnel does not arise.

The Company is not required to appoint Independent Director within provisions of Section 149 of the Companies Act, 2013 and rules framed thereunder.

14. MEETINGS OF BOARD

Four Meetings of the Board of Directors were held during the year on 15.05.2018, 03.09.2018, 23.11.2018 and 13.02.2019.

15. AUDITORS & AUDITORS REPORTS

M/s. Kirti D. Shah & Associates, Chartered Accountants, Mumbai.(Membership No. 32371), were appointed as the Statutory Auditors of the Company for a period of 5(five) years at the 8th Annual General Meeting of the Company held on 22nd September, 2014 and their term is due to expire at the conclusion of the ensuing Annual General Meeting.

The Board of Directors at their meeting held on 24th May, 2019 have recommended re-appointment of M/s. Kirti D. Shah & Associates, Chartered Accountants, Mumbai.(Membership No. 32371) as Company's Statutory Auditor to audit accounts for another term of 5(Five) Years from the conclusion of ensuing Annual General Meeting till the conclusion of the Annual General Meeting to be held in the year 2024.

Accordingly, Members approval is sought for re-appointment M/s. Kirti D. Shah & Associates, as Auditors of the Company in the Resolution set out at item No. 3 of the Notice.

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

16. DIRECTORS' RESPONSIBILITY STATEMENTS

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

1. in preparation of the Annual Accounts, applicable Accounting Standards have been followed and that there are no material departures
2. they have selected such Accounting Policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the State of the Affairs of the Company at the end of the financial year and of the Loss of the Company for that year;
3. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. they have prepared the Annual Accounts on a 'going concern' basis.
5. they have laid down Internal Financial Controls to be followed by the Company and such Internal Financial Controls are adequate and operating effectively;
6. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

17. EXTRACTS OF ANNUAL RETURN

As provided under Section 92(3) of the Companies Act, 2013 the Extract of the Annual Return is given in **Annexure-I** in prescribed Format MGT-9, which forms part of this Report. The Company does not have any web site.

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

No material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this Report.

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

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

20. MAINTENANCE OF COST RECORDS

The Company is not required to maintain Cost Records as specified under Section 148 of the Companies Act, 2013 and the Rules framed thereunder.

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

The Company does not have any Employee, hence the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder, are not applicable,

22. ACKNOWLEDGEMENT :

Your Directors would like to express their grateful appreciation for the co-operation and assistance received from the Holding Company i.e. M/S Aries Agro Limited and other related agencies..

By Order of the Board
For **Aries Agro Equipments Pvt. Ltd.,**

Dr. Jimmy Mirchandani
Director
DIN: 00239021

Dr. Rahul Mirchandani
Director
DIN: 00239057

Place : Mumbai
Date : 24th May, 2019

FORM NO. MGT – 9
EXTRACT OF ANNUAL RETURN

As on the financial year ended 31.03.2019

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

I. REGISTRATION AND OTHER DETAILS

CIN	U01403MH2007PTC166972
Registration Date	12 th January, 2007
Name of the Company	ARIES AGRO EQUIPMENTS PRIVATE LIMITED
Category / Sub-Category of the Company	COMPANY LIMITED BY SHARES /INDIAN NON-GOVERNMENT COMPANY
Address of the Registered Office and contact details	Aries House, Plot No. 24, Deonar, Govandi(E), Mumbai-400 043 Phone No. 022 2556 4052/53 Fax No. 022 2556 4054/2557 1711
Whether listed Company	NO
Name, address and contact details of Registrar and Transfer Agent, if any	Not Applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No	Name and Description of main products / Services	NIC Code of the Product/ Service	% to total turnover of the Company
1	Farm Equipments	8424	0.00

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name of the Company	Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	%tage of Shares held	Applicable Section
1.	Aries Agro Limited	Aries House, Plot No. 24, Deonar, Govandi (E), Mumbai-400 043	L99999MH1969PLC014465	Holding	100	2(46)

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

(i) Category wise shareholding

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2018				No. of Shares held at the end of the year 31.03.2019				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.PROMOTERS									
(1) Indian									
a) Individual/HUF	0	0	0	0	0	0	0	0	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt (s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	10000	10000	100	0	10000	10000	100	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other....	0	0	0	0	0	0	0	0	0
Sub-total (A) (1):-	0	10000	10000	100	0	10000	10000	100	0
(2) Foreign	-	-	-	-	-	-	-	-	-
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other – Individuals	0	0	0	0	0	0	0	0	0

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2018				No. of Shares held at the end of the year 31.03.2019				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other....	0	0	0	0	0	0	0	0	0
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	0	10000	10000	100	0	10000	10000	100	0
B. PUBLIC SHAREHOLDING									-
1. Institutions									-
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual Shareholders holding nominal share capital upto ₹ 1 lakh	0	0	0	0	0	0	0	0	0
ii) Individual Shareholders holding nominal share capital in excess of ₹1 lakh	0	0	0	0	0	0	0	0	0
c) Others Directors and Relatives	0	0	0	0	0	0	0	0	0
i) Shares held by Pakistani citizens vested with the Custodian of Enemy Property	0	0	0	0	0	0	0	0	0
ii) Other Foreign Nationals	0	0	0	0	0	0	0	0	0
iii) Foreign Bodies	0	0	0	0	0	0	0	0	0
iv) NRI / OCBs	0	0	0	0	0	0	0	0	0
v) Clearing Members / Clearing House	0	0	0	0	0	0	0	0	0
vi) Trusts	0	0	0	0	0	0	0	0	0
vii) Limited Liability Partnership	0	0	0	0	0	0	0	0	0
viii) Foreign Portfolio Investor (Corporate)	0	0	0	0	0	0	0	0	0
ix) Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
Sub-Total (B)(2):	0	0	0	0	0	0	0	0	0
Total Public Shareholding (B)=(B)(1)+(B)(2)	0	0	0	0	0	0	0	0	0
C. SHARES HELD BY CUSTODIAN FOR GDRS & ADRS	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	0	10000	10000	100.00	0	10000	10000	100.00	-

Aries Agro Equipments Private Limited

(ii) Shareholding of Promoters

Shareholder's Name	No. of Shares held at the beginning of the year 01.04.2018			No. of Shares held at the end of the year 31.03.2019			% Change during the year
	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
Aries Agro Limited	10000	100	0	10000	100	0	0
Total	10000	100	0	10000	100	0	0

(iii) Change in Promoters' Shareholding

There is no change in Promoter's Shareholding between 01.04.2018 to 31.03.2019.

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

Sr. No	Shareholder's Name*	Shareholding at the beginning of the year 01.04.2018		Shareholding at the end of the year 31.03.2019	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Aries Agro Limited	10000	100	10000	100
	Total				

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No	Shareholder's Name	Shareholding at the beginning of the year 01.04.2018		Cumulative Shareholding during the year		Date of change in shareholding	Reason for change
	Directors	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company		
1	NIL						

V. INDEBTEDNESS

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

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial Year				
1. Principal Amount	NIL	35,814	NIL	35,814
2. Interest Due but not Paid	NIL	NIL	NIL	NIL
3. Interest accrued but not due	NIL	NIL	NIL	NIL
Total(1+2+3)	NIL	35,814	NIL	35,814
Change in Indebtedness during the Financial Year				
1. Addition	NIL	21,199	NIL	21,199
2. Reduction	NIL	NIL	NIL	NIL
Net Change	NIL	21,199	NIL	21,199
Indebtedness at the end of the Financial Year				
1. Principal Amount	NIL	57,013	NIL	57,013
2. Interest Due but not Paid	NIL	NIL	NIL	NIL
3. Interest accrued but not due	NIL	NIL	NIL	NIL
Total(1+2+3)	NIL	57,013	NIL	57,013

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

The Company does not have any Managing Director/Executive Director/Whole Time Director and hence question of payment of Remuneration does not arise

B. Remuneration to other Directors:

No Remuneration has been paid to Non-Executive Directors.

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

The Company does not have any Key Managerial Personnel other than Managing Director/ Executive Director/Whole Time Director hence no Remuneration has been paid

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

There were no penalties, punishment or compounding of offences during the year ended 31st March, 2019

For and on behalf of the Board,

Place: Mumbai
Date: 24th May, 2019

Dr. Jimmy Mirchandani
Director
DIN: 00239021

Dr. Rahul Mirchandani
Director
DIN: 00239057

INDEPENDENT AUDITORS' REPORT OF ARIES AGRO EQUIPMENTS PVT. LTD.

TO THE MEMBERS OF ARIES AGRO EQUIPMENTS PRIVATE LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Aries Agro Equipments Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Management's Responsibility for the Standalone Financial Statements

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

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of financial statements may be influenced. We consider quantitative materiality and qualitative factors in i) planning the scope of our audit work and in evaluating the results of our work; and ii) to evaluate the effect of any identified misstatements in the financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures

in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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 in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books (and proper returns adequate for the purpose of our audit have been received from branches not visited by us).
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **Kirti D. Shah & Associates**
Chartered Accountants
(Firm's Registration No. 115133W)

Date: 24th May, 2019
Place: Mumbai

Kirti D. Shah
Proprietor
(Membership No. 032371)

ANNEXURE “A” to the Independent Auditor’s Report

The Annexure referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our Independent Auditors’ Report to the members of the Company on the standalone financial statements for the year ended 31st March 2019, we report that:

- i. The Company does not have any Fixed Assets . Accordingly, reporting under clause 3(i) of the order is not applicable to the company.
- ii. There were no inventories during the year. Accordingly, reporting under clause 3 (ii) of the order is not applicable to the company.
- iii. According to the information and explanation given to us, the Company has granted loan to one corporate entity covered in the register maintained under section 189 of the Act, 2013 :
 - a. As per information and explanation provided to us, the rate of interest and other terms and conditions on which the loans granted by the company to the body corporate listed in the register maintained under section 189 of the Act were not , prima facie, prejudicial to the interest of the company.
 - b. As per information and explanation provided to us, in case of loans granted by the company to the body corporate listed in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of principal and interest as stipulated wherever applicable.
 - c. As per information given by the management, there are no overdue amounts in respect of the loans granted to the body corporate listed in the register maintained under section 189 of the Act.
- iv. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, investments, guarantees, and securities.
- v. According to the information and explanations provided by the company, The Company has not accepted deposits from the public. Hence, the question of compliance with the directives issued by Reserve Bank of India and provision of sections 73, 74, 75 and 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 does not arise. No order has been passed by the National Company Law Tribunal or Company Law Board or RBI in this regard.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any services rendered by the company. Thus reporting under clause 3(vi) of the order is not applicable to the company.
- vii. According to the information and explanations given to us and the records of the company examined by us, in our opinion :
 - a. The company is generally regular in depositing statutory dues including Provident Fund, Employee State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess, Goods and Service Tax and any other material statutory dues except occasional/ minor delays. The undisputed liabilities as on 31st March 2019 is for a period exceeding six months from the date of it becoming payable is NIL.
 - b. There is no disputed liability in respect of tax dues on account of Income Tax, Sales Tax, Service Tax, Customs Duty, Cess, Goods and Service Tax etc.
- viii. The company has not taken any of loans or borrowing from financial institution, banks, and Government or has not issued any debentures. Hence reporting under clause 3(viii) of the order is not applicable to the company.
- ix. According to the information and explanation provided to us, the company did not raise any money by way of initial public offering or further public offer (including debt instruments). The company has not taken any term loans during the year under audit and hence reporting under clause 3(ix) of the order is not applicable to the company.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanations given to us and based on our examination of the records of the company, the company has not paid/provided for managerial remuneration and hence clause 3(xi) of the order is not applicable to the company.
- xii. The company is not a nidhi company. Accordingly, clause 3(xii) of the Order is not applicable to the company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act wherever applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence reporting under clause 3(xiv) of the order is not applicable to the company.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, clause 3(xv) of the Order is not applicable to the company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Kirti D. Shah & Associates**
Chartered Accountants
(Firm's Registration No. 115133W)

Date: 24th May, 2019
Place: Mumbai

Kirti D. Shah
Proprietor
(Membership No.032371)

ANNEXURE “B” to the Independent Auditor’s Report

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Aries Agro Equipment of even date)

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

We have audited the internal financial controls over financial reporting of **Aries Agro Equipments Private Limited** (“the Company”) as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company 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 respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

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

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

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

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

Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, 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, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Kirti D. Shah & Associates
Chartered Accountants
(Firm’s Registration No. 115133W)

Date: 24th May, 2019
Place: Mumbai

Kirti D Shah
Proprietor
(Membership No. 032371)

Balance Sheet as on 31st March, 2019

(Amounts in Rupees unless stated otherwise)

Particulars	Note Nos.	As at 31st March, 2019	As at 31st March, 2018
I. ASSETS			
(1) Current Assets			
(a) Financial Assets			
(i) Cash & Cash Equivalents	3	2,155,110	2,161,512
(b) Other Current Assets	4	6,002,140	6,012,140
		8,157,250	8,173,652
TOTAL		8,157,250	8,173,652
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share Capital	5	100,000	100,000
(b) Other Equity	6	7,628,613	7,683,215
		7,728,613	7,783,215
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Current Borrowings	7	37,013	15,814
(ii) Trade Payables - (a) Micro, Small & Medium Enterprises	8	-	-
(iii) Trade Payables - (b) Others	8	371,624	354,624
(b) Other Current Liabilities	9	20,000	20,000
		428,637	390,437
TOTAL		8,157,250	8,173,652
Summary of Significant Accounting Policies	2.1		

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

As per our report of even date

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

Kirti D. Shah
 Proprietor
 Membership No 32371

Place : Mumbai
Date : 24th May, 2019

 For and on behalf of the **Board of Directors** of
Aries Agro Equipments Private Limited
Dr. Jimmy Mirchandani
 Director
 DIN 00239021

Dr. Rahul Mirchandani
 Director
 DIN 00239057

Statement of Profit and Loss for the year ended 31st March, 2019

(Amounts in Rupees unless stated otherwise)

Particulars	Note Nos.	Year Ended 31st March, 2019	Year Ended 31st March, 2018
I. Other Income	10	-	34,000
		-	34,000
II. Expenses :			
(a) Finance Costs	11	25,302	4,958
(b) Other Expenses	12	29,300	29,800
Total Expenses		54,602	34,758
III. Profit / (Loss) Before Tax		(54,602)	(758)
IV. Profit / (Loss) after Tax		(54,602)	(758)
V. Profit / (Loss) for the period		(54,602)	(758)
VI. Other Comprehensive Income			
(A) Items that will not be reclassified to Profit or Loss		-	-
(B) Items that will be reclassified to Profit or Loss		-	-
		-	-
VII. Total Comprehensive Income for the period (IV+V)		(54,602)	(758)
VIII. Earnings per Equity Share	13		
(1) Basic & Diluted		(5.46)	(0.08)
Summary of Significant Accounting Policies	2.1		

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

As per our report of even date

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

Kirti D. Shah
Proprietor
Membership No 32371

Place : Mumbai
Date : 24th May, 2019

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

Dr. Jimmy Mirchandani
Director
DIN 00239021

Dr. Rahul Mirchandani
Director
DIN 00239057

Statement of Cash Flows for the year ended 31st March, 2019

(Amounts in Rupees unless stated otherwise)

Sr. No.	Particulars	Year Ended 31 March, 2019	Year Ended 31 March, 2018
A)	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit before tax as per Statement of Profit and Loss	(54,602)	(758)
	Adjusted for :		
	Finance Costs	25,302	4,958
	Operating Profit before Working Capital Changes	(29,300)	4,200
	Adjusted for :		
	(Increase) / Decrease in Trade Receivables	-	11,806,960
	Increase / (Decrease) in Trade Payables & Other Current Liabilities	17,000	(7,600)
	Cash Generated from Operations	(12,300)	11,803,560
	Net Cash Flow from Operating Activities (A)	(12,300)	11,803,560
B)	CASH FLOW FROM INVESTING ACTIVITIES :		
	Movement in Short Term Loans and Advances & Other Assets	10,000	(5,918,635)
	Net Cash Flow from / (used in) Investing Activities (B)	10,000	(5,918,635)
C)	CASH FLOW FROM FINANCING ACTIVITIES:		
	Current Borrowings (Net)	21,200	(3,723,412)
	Finance Costs	(25,302)	(4,958)
	Net Cash (used in) / from financing activities (C)	(4,102)	(3,728,370)
	Net Increase in Cash and Cash Equivalents	(6,402)	2,156,555
	Opening Balance of Cash and Cash Equivalents	2,161,512	4,957
	Closing Balance of Cash and Cash Equivalents	2,155,110	2,161,512

- NOTE : 1 The above statement has been prepared under the indirect method set out in Ind AS-7 " Statement of Cash Flows ".
- 2 Figures in the bracket indicate cash out flow.

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

As per our report of even date

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

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

Dr. Jimmy Mirchandani
Director
DIN 00239021

Kirti D. Shah
Proprietor
Membership No 32371

Dr. Rahul Mirchandani
Director
DIN 00239057

Place : Mumbai
Date : 24th May, 2019

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019**STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES:****1. Company Overview**

Aries Agro Equipments Private Limited was incorporated in January, 2007 as a Wholly Owned Subsidiary of Aries Agro Limited for carrying business in the Branches of agro protection, agro and seeds etc.

2. Basis of Preparation of Financial Statements

Ministry of Corporate Affairs notified roadmap to implement Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the companies (Indian Accounting Standards) (amendment) Rules, 2016. As per the said roadmap, the Company is required to apply Ind AS for the year ended 31st March, 2018. However, the company has voluntarily adopted Ind AS as from the year 1st April, 2016 with 1st April, 2015 being the date of transition.

a. Statement of Compliance

The Ind AS Standalone Financial Statements comprising Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity, Cash Flow Statement, together with the Notes to accounts along with a summary of the significant accounting policies and other explanatory information for the year ended 31st March, 2019 have been prepared in accordance with the Ind AS as notified above.

For all periods up to and including the year ended 31st March, 2015, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

b. Basis of Measurement - Historic Cost Convention

These Financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities that is measured at fair value (refer accounting policy regarding financial instruments);
- Assets held for sale – measured at fair value less cost to sale;
- Defined benefit plans – plan assets measured at fair value

All assets and liabilities has been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

c. Functional and Presentation Currency

Items included in the Financial Statements of the entity are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). Indian Rupee is the Functional currency of the Company.

The Financial statements are presented in Indian Rupees, which is the Company's presentation currency.

d. Use of Estimates:

The preparation of Financial Statements in accordance with Ind - AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the Balance Sheet and Statement of Profit and Loss. The actual amounts realized may differ from these estimates. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognized in the period in which the results are known / materialized and, if material, their effects are disclosed in the notes to the Financial Statements.

Estimates and assumptions are required in particular for:

- (i) Determination of the estimated useful life of tangible assets and the assessment as to which components of the cost may be capitalized. Useful life of tangible assets is based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful life is different from that prescribed in Schedule II, it is based on technical advice, taking into account the nature of the asset, estimated usage and operating conditions of the asset, past history of replacement and maintenance support. An assumption also needs to be made, when the Company assesses, whether an asset may be capitalized and which components of the cost of the asset may be capitalized.
- (ii) **Recognition and measurement of defined benefit obligations:**

The obligation arising from the defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined with reference to market yields at the end of the reporting period on the government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.
- (iii) **Recognition of deferred tax assets:**

A Deferred tax asset is recognized for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized. The management assumes that taxable profits will be available while recognizing deferred tax assets.

NOTES to the Financial Statements for the year ended 31st March, 2019

(iv) Recognition and measurement of other provisions:

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in other provisions.

(v) Discounting of long-term financial liabilities

All financial liabilities are required to be measured at fair value on initial recognition. In case of financial liabilities, which are required to be subsequently measured at amortized cost, interest is accrued using the effective interest method.

(vi) Determining whether an arrangement contains a lease:

At the inception of an arrangement, the Company determines whether the arrangement is or contains a lease. At the inception or on reassessment of an arrangement that contains a lease, the Company separates payments and other consideration required by the arrangement into those for the lease and those for the other elements based on their relative fair values. If the Company concludes for a finance lease that, it is impracticable to separate the payments reliably, then an asset and a liability are recognized at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognized using the Company's incremental borrowing rate. In case of operating lease, the Company treats all payments under the arrangement as lease payments.

- e. Ind - AS 115 "Revenue from Contract with Customers :** The MCA had notified Ind - AS 115 "Revenue from Contract with Customers" in February, 2015. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to the customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further, the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

f. Current Versus Non Current Classification:

- (i) The assets and liabilities in the Balance Sheet are based on current/ non – current classification. An asset as current when it is:

1. Expected to be realized or intended to be sold or consumed in normal operating cycle.
2. Held primarily for the purpose of trading.
3. Expected to be realized within twelve months after the reporting period, or
4. Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non - current.

- (ii) A liability is current when it is:

1. Expected to be settled in normal operating cycle
2. Held primarily for the purpose of trading
3. Due to be settled within twelve months after the reporting period, or
4. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are treated as non - current.

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

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

2.1 Significant Accounting Policies

A. Plant, Property & Equipment:

All the property, plant and equipments have been carried at value in accordance with the previous GAAP. The Company has elected these value as deemed cost at the date of transition to Ind AS.

Property, Plant & Equipment are stated at original cost net of tax/ duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. All costs, including finance costs incurred up to the date the asset is ready for its intended use.

When significant parts of property, plant and equipment are required to be replaced at intervals, the company derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly.

All the other repair and maintenance costs are recognised in the statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision is met.

NOTES to the Financial Statements for the year ended 31st March, 2019

Property, Plant & Equipment are eliminated from the financial statements either on disposal or when retired from active use. Losses arising in the case of retirement of property, plant and equipment and gains and losses arising from disposal of property, plant and equipment are recognised in the statement of profit and loss in the year of occurrence.

Subsequent expenditure related to an item of Property, Plant & Equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing Property, Plant & Equipment, including routine repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

The Company adjusts exchange differences arising on translation/ settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset.

Gains or losses arising from disposal of Plant, Property and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is disposed.

B. Depreciation & Amortization:

- a. Depreciation on property, plant & equipment is provided over the useful life of assets as specified in schedule II to the companies Act, 2013. In case of Property, plant & Equipment that are added/ disposed off during the year depreciation is provided on pro-rata basis with reference to the month of addition/ deletion.

Leasehold improvements are being depreciated over the lease term or estimated useful life whichever is lower. Used assets acquired from third parties are depreciated on a straight line basis over their remaining useful life of such assets.

- b. Depreciation methods, useful life and residual values are reviewed at each reporting date and adjusted if appropriate.

C. Intangible Assets :

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortised over the irrespective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

The useful lives of intangible assets are assessed as either finite or infinite.

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is considered to modify the amortized period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with finite useful life are amortized on straight line basis over the useful economic life and assessed for impairment whenever there is any indication that the intangible asset may be impaired.

Intangibles with indefinite useful life, if any are not amortized, but are tested for impairment annually, either individually or at the cash generating unit level.

D. Borrowing Costs :

Borrowing costs that are directly attributable to acquisition, construction or production of a qualifying asset (net of income earned on temporary deployment of funds) are capitalised as a part of the cost of such assets. Borrowing cost consists of interest, other cost incurred in connection with borrowings of fund and exchange differences to the extent regarded as an adjustment to the borrowing cost. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

All other borrowing costs are charged to the Statement of Profit and Loss.

E. Leases

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

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

NOTES to the Financial Statements for the year ended 31st March, 2019

F. Inventories and WIP:

Inventories are valued at the lower of cost and net realizable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

a. Raw materials and packing materials :

Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a first-in-first out basis. Customs duty on imported raw materials (excluding stocks in the bonded warehouse) is treated as part of the cost of the inventories. Raw material, store and spares: Cost on FIFO basis or net realizable value, whichever is lower.

b. Work-in-progress and finished goods :

Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty.

c. Traded goods :

Lower of cost and net realizable value. Cost includes the purchase price and other associated costs directly incurred in bringing the inventory to its present location.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

d. Waste and scrap are not separately valued being insignificant in value.

e. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

G. Foreign Currency Transactions and Balances::

The transactions in foreign currency are accounted at the exchange rate i.e. custom rate prevailing on the date of transaction. Exchange fluctuation between the transaction date and settlement date in respect of transactions are transferred to exchange rate difference account and written off to the statement of profit & loss. Exchange difference that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income or expenses in the Statement of Profit and Loss in the period in which they arise.

Current assets and current liabilities involving transactions in foreign currency are converted at the exchange rates prevailing on the date of Balance Sheet. Any profit and loss arising out of such conversion is charged to profit and loss account.

Non-monetary items i.e. investments are converted at the rate prevalent on the date of transaction.

H. Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

The specific recognition criteria described below must also be met before revenue is recognized.

a. Sale of products:

As stated in Ind AS 115, Revenue from sale of products is recognized when the entity transfers the control of goods and services to customers at an amount that the entity expects to be entitled. The Company collects Goods and Service Tax (GST) on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue. Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied net of discounts, returns etc. Ind As 115 is based on a five step model as mentioned below.

1. Identify the contract with customer
2. Identify the performance obligation
3. Determine the transactions price
4. Allocate transaction price
5. Recognize Revenue when (or as) performance obligations are satisfied.

b. Interest Income

Interest income is recognized on accrual basis at applicable interest rates. For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payment or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial assets interest income is included in other income in the statement of profit & loss.

NOTES to the Financial Statements for the year ended 31st March, 2019

c. Dividend income:

Dividend income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

I. Expenditure on new projects and substantial expansion:

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized as part of the indirect construction cost to the extent to which the expenditure is directly related to construction or is incidental there to. Other indirect expenditure (including borrowing costs) incurred during the construction period which is not related to the construction activity nor is incidental thereto is charged to the statement of profit and loss. Income earned during construction period is deducted from the total of the indirect expenditure. All direct capital expenditure on expansion is capitalized. As regards indirect expenditure on expansion, only that portion is capitalized which represents the marginal increase in such expenditure involved as a result of capital expansion. Both direct and indirect expenditure are capitalized only if they increase the value of the asset beyond its original standard of performance.

J. Employee benefits:

a. Short Term Employee Benefits:

Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

Short - term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

b. Post-Employment Benefits:

(i) Defined Contribution Plans:

Retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss for the year when the contributions to the government funds are due. The Company has no obligation other than the contribution payable to provident fund authorities.

(ii) Defined Benefit Plans:

The employees' gratuity fund scheme is the Company's defined benefit plan. The present value of the obligation under the said defined benefit plan is determined on the basis of actuarial valuation from an independent actuary using the Projected Unit Credit Method.

The gratuity benefit of the Company is administered by a trust formed for this purpose through the group gratuity scheme.

Remeasurements comprising of actuarial gain and losses, the effect of the asset ceiling and the return on plan assets (excluding amount included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur.

Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.

Past service cost is recognised in the statement of profit & loss in the period of plan amendment.

Net interest is calculated by applying the discounted rate to the net defined benefit liability or asset.

c. Other Long Term Employee Benefits:

The Company treats accumulated leave expected to be carried forward beyond 12 months, as long -term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

K. Taxes :

a. Current Income Tax:

(i) Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals.

Current tax comprises of the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of the previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

NOTES to the Financial Statements for the year ended 31st March, 2019

- has a legally enforceable right to set off the recognised amounts; and
- intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.
- (ii) Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit & loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

b. Deferred taxes:

- (i) Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at the reporting date.
- (ii) The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax liabilities are always provided for in full. Deferred tax assets are recognized to the extent that it is probable that they will be able to be offset against future taxable income. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted at the balance sheet date.

Most changes in deferred tax assets or liabilities are recognized as a component of tax expense in the income statement. Only changes in deferred tax assets or liabilities that relate to a change in value of assets or liabilities that is charged directly to equity are charged or credited directly to equity.

c. Sales/ value added taxes

Expenses and assets are recognised net of the amount of sales/ value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

d. Minimum Alternate Tax

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on "Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961", the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

L. Segment reporting

Identification of segments

The Company's operating businesses are organised and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and services to different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operates.

M. Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and demand deposits with banks which are short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

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

N. Impairment of Non Financial Assets

As at each balance sheet date, the Company assesses whether there is an indication that an asset may be impaired and also whether there is an indication of reversal of impairment loss recognized in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, if any, the Company determines the recoverable amount and impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- In the case of an individual asset, at the higher of the fair value less cost to sell and the value in use; and
- In the case of cash generating unit (a group of assets that generate identified, independent cash flows), at the higher of cash generating unit's fair value less cost to sell and the value in use.

NOTES to the Financial Statements for the year ended 31st March, 2019

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the asset.

In determining fair value less cost disposal, recent market transaction are taken in to account.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.

Intangible assets with indefinite useful lives are tested for impairment annually, as appropriate, and when circumstances indicate that the carrying value may be impaired.

O. Provisions, Contingent Liabilities and Contingent Assets:

A provision is recognized if as a result of a past event the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are not recognized but disclosed in the Financial Statements when economic inflow is probable.

a. Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if

- i. the Company has a present obligation as a result of past event,
- ii. a probable outflow of resources is expected to settle the obligation; and
- iii. the amount of obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

b. Contingent liabilities are disclosed in case of:

- i. a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation,
- ii. a present obligation arising from past events, when no reliable estimate is possible,
- iii. a possible obligation arising from past events where the probability of outflow of resources is not remote.

c. Contingent assets are neither recognized nor disclosed.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions and Contingent Liabilities are recognized / disclosed after an evaluation of the facts and legal aspects and the amounts are reviewed on the Balance Sheet date.

P. Non-current assets held for sale :

Non Current assets are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use.

Non Current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

The criteria for held for sale/ distribution classification is regarded met only when the assets are available for immediate sale/ distribution in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated,
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale to owners are not depreciated or amortized.

NOTES to the Financial Statements for the year ended 31st March, 2019

Q. Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a. Financial Assets:

(i) Classification

Financial Assets comprises of Investments in Equity and Debt securities, Trade Receivables, Cash and Cash equivalents, Borrowings and other Financial Assets.

(ii) Initial recognition and measurement

All financial assets is recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial Assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

(iii) Subsequent Recognition

a. Financial Assets measured at amortized cost

Financial assets are measured at amortized cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are measured at amortized cost using the effective interest rate (EIR) method.

The EIR amortization is recognized as finance income in the Statement of Profit and Loss.

The Company while applying the above criteria has classified the following at Amortized Cost:

a) Investment in Debt Instruments

b. Financial Assets measured at fair value through other comprehensive income (FVTOCI)

Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income.

c. Financial Assets measured at fair value through profit or loss (FVTPL)

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognized in profit or loss.

d. Investment in Subsidiary and Associates

Investment in equity instruments of Subsidiaries and Associates are measured at cost. Provision for Impairment loss on such investment is made only when there is a diminution in value of the investment, which is other than temporary.

e. Investment in Debt Instruments

A debt instrument is measured at amortized cost or at FVTPL. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit and loss.

(vi) De-recognition of Financial Assets:

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

b. Financial Liabilities:

(i) Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of loans, borrowings, and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, security deposits and other deposits.

(ii) Subsequent measurement:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity.

NOTES to the Financial Statements for the year ended 31st March, 2019

All other changes in fair value of such liability are recognised in the statement of profit or loss.

(iii) Loans and Borrowings:

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings

(iv) Derecognition of Financial Liabilities:

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

R. Earnings Per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares, that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

S. Investments:

Investments that are readily realizable and intended to be held for not more than twelve months from the date on which such investments are made are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued.

If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

(Amounts in Rupees unless stated otherwise)

3 CASH AND CASH EQUIVALENTS		As at 31st March, 2019	As at 31st March, 2018
Balance with Banks in Current Accounts		2,155,110	2,161,512
Total		2,155,110	2,161,512

4 OTHER CURRENT ASSETS		As at 31st March, 2019	As at 31st March, 2018
(Un-secured and Considered Good)			
Advances to Related Parties		5,918,635	5,918,635
Other Advances		5,505	5,505
Security Deposits		78,000	88,000
Total		6,002,140	6,012,140

NOTES to the Financial Statements for the year ended 31st March, 2019

5 EQUITY SHARE CAPITAL	As at 31st March, 2019	As at 31st March, 2018
Authorised Share Capital		
10,000 Equity Shares of Rs. 10/- each	100,000	100,000
	100,000	100,000
Issued, Subscribed and Fully Paidup		
10,000 (Previous Year 10,000) Equity Shares of Rs. 10/- each.	100,000	100,000
	100,000	100,000

5.1 Reconciliation of the number of Equity Shares :

Particulars	As at 31st March 2019	As at 31st March 2018
Equity Shares at the beginning of the year	10,000	10,000
Equity Shares at the end of the year	10,000	10,000

5.2 List of Shareholder's holding more than 5 % Shares in the Company :

Name of the Share Holder	No of Shares	As at 31st March, 2019 % of Holding	No of Shares	As at 31st March, 2018 % of Holding
(i) Aries Agro Limited	10,000	100.00%	10,000	100.00%
	10,000	100.00%	10,000	100.00%

Note No. - 5

A Equity Share Capital	Balance as at 31st March, 2018	Changes in Equity Share Capital during the year	Balance as at 31st March, 2019
10,000 Equity Shares of Rs. 10/- each.	100,000	-	100,000

Note No. - 6

B Other Equity	Retained Earnings	Items of Other Comprehensive Income	Total
Balance as at 31 March, 2018	7,683,215	-	7,683,215
Add / (Less) : Profit / (Loss) for the year	(54,602)	-	(54,602)
	(54,602)	-	(54,602)
Balance as at 31 March, 2019	7,628,613	-	7,628,613
Balance as at 31 March, 2017	7,683,973	-	7,683,973
Add / (Less) : Profit / (Loss) for the year	(758)	-	(758)
	(758)	-	(758)
Balance as at 31 March, 2018	7,683,215	-	7,683,215

7 CURRENT BORROWINGS	As at 31st March, 2019	As at 31st March, 2018
Un-Secured Borrowings		
From Related Parties	37,013	15,814
Total	37,013	15,814

7.1 Un-Secured Borrowings includes amount due to Directors

NOTES to the Financial Statements for the year ended 31st March, 2019

8	TRADE PAYABLES	As at 31st March, 2019	As at 31st March, 2018
	Trade Payables - Micro, Small & Medium Enterprises	-	-
	Trade Payables - Others	371,624	354,624
	Total	371,624	354,624

8.1 There are no Micro and Small Enterprises to whom Company owes dues, which are outstanding for more than 45 days as at 31st March, 2019. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

8.2 All Trade Payables are non-interest bearing and payable or settled within normal operating cycle of the Company.

9	OTHER CURRENT LIABILITIES	As at 31st March, 2019	As at 31st March, 2018
	Security Deposits	20,000	20,000
	Total	20,000	20,000

10	OTHER INCOME	Year Ended 31st March, 2019	Year Ended 31st March, 2018
	Other Interest	-	34,000
	Total	-	34,000

11	FINANCE COSTS	Year Ended 31st March, 2019	Year Ended 31st March, 2018
	Bank and Finance Charges	25,302	4,958
	Total	25,302	4,958

12	OTHER EXPENSES	Year Ended 31st March, 2019	Year Ended 31st March, 2018
	Other Administration Expenses		
	Audit Fees	17,700	18,150
	Legal & Professional Fees	7,000	8,250
	Rent, Rates & Taxes	4,600	3,400
	Total	29,300	29,800

12.1 Other Disclosures

a) Auditors Remuneration

Sr. No.	Particulars	Year Ended 31st March, 2019	Year Ended 31st March, 2018
1	Statutory Auditors		
(i)	Audit Fee	17,700	18,150
(ii)	Taxation Matters	5,900	5,900
		23,600	24,050

NOTES to the Financial Statements for the year ended 31st March, 2019

13 EARNINGS PER SHARE (EPS)

The following is a reconciliation of the Equity Shares used in the computation of basic and diluted earnings per Equity Share :

Sr. No	Particulars	As At 31st March 2019	As At 31st March 2018
(i)	Issued Equity Shares	10,000	10,000
	Weighted Average Shares outstanding - Basic and Diluted	10,000	10,000

Net Profit available to Equity Shareholders of the Company used in the basic and diluted earnings per share was determined as follows:

Sr. No	Particulars	Year Ended 31st March, 2019	Year Ended 31st March, 2018
(i)	Profit and Loss after Tax attributable to Equity Shareholders	(54,602)	(758)
(ii)	Basic Earning per Equity Share	(5.46)	(0.08)
(iii)	Face Value of Equity Share	10	10

14 RELATED PARTY DISCLOSURES

Related Party Disclosures as per Ind AS 24 issued by the Institute of Chartered Accountants of India

Part - A				
Details of Related Parties				
Sr. No.	Nature of Relationship	Name of the Related Party	Remarks	
1	Holding Company	a) Aries Agro Limited	a) Date of becoming Subsidiary of Aries Agro Limited is 12th January, 2007 (Incorporation Date)	
2	Key Management Personnel	a) Dr. Jimmy Mirchandani b) Dr. Rahul Mirchandani	a) Director b) Director	
3	Relatives of Key Management Personnel	Name of the Key Management Personnel a) Dr. Jimmy Mirchandani b) Dr. Rahul Mirchandani	Name of the Relative a) Mr. Akshay Mirchandani b) Mr. Amol Mirchandani c) Dr. Rahul Mirchandani a) Mrs. Nitya Mirchandani b) Master Armaan Mirchandani c) Dr. Jimmy Mirchandani	Relationship Son Son Brother Spouse Son Brother
4	Fellow Subsidiaries	a) Aries Agro Care Pvt Ltd b) Golden Harvest Middle East FZC c) Amarak Chemicals FZC	a) A wholly owned Subsidiary of Aries Agro Limited b) A Subsidiary of Aries Agro Limited c) A Step Down Subsidiary of Aries Agro Limited	
5	Enterprises over which the Key Management Personnel have significant influence or control	a) Aries East West Nutrients Pvt Ltd b) Aries Marketing Ltd c) Blossoms International Ltd d) Sreeni Agro Chemicals Ltd		

NOTES to the Financial Statements for the year ended 31st March, 2019

Part - B				
Details of Transactions with Related Parties				
Sr. No.	Category	Nature of Service	Year Ended 31st March, 2019	Year Ended 31st March, 2018
1	Holding Company	Loan Given	2,160,640	-
		Loan Refund	2,160,640	-
		Loan Repaid	-	3,736,812
		Trade receivables realised	-	11,806,960
2	Group Company	Loan Given	-	5,918,635
3	Key Management Personnel	Loan taken	21,200	13,400

Part - C				
Balance Outstanding with Related Parties				
Category	Nature of Outstanding	Name of the Related Party	As at 31st March, 2019	As at 31st March, 2018
Group Company	Advance to Related Parties	Areis Agro Care Private Limited	5,918,635	5,918,635
Key Management Personnel	Unsecured Loans	Dr. Jimmy Mirchandani	15,814	15,814
		Dr. Rahul Mirchandani	21,200	-

15. Current Assets, Loan & Advances and Provisions

- a) The current assets and loans and advances are approximately of the value stated, if realized in the ordinary course of business.
- b) The provision for all known liabilities is not in excess of the amounts considered reasonably necessary.
- c) The balances of Sundry Creditors, Sundry Debtors and Loans and Advances are subject to confirmation.

16. Foreign Exchange Earnings & Outflow:

During the year there was no foreign exchange earning, expenditure or outflow.

17. Micro And Small Scale Business Entities

There are no micro and small Enterprises to whom company owes dues, which are outstanding for more than 45 days as at 31st March, 2019. This Information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

18. Segment Reporting

The Company has only one business segment "Agricultural Equipments" as its primary segment and hence disclosure of segment-wise information is not required under Indian Accounting Standard (Ind AS) 108 – Operating Segments' notified pursuant to the Companies (Indian Accounting Standard) Rules, 2016 (as amended).

19. In absence of virtual certainty that sufficient future taxable income will be available for setoff of losses incurred by the Company, the Company has not taken credit for Deferred Tax Assets.
20. The Previous years figures are re-arranged or re-grouped wherever is necessary.

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

As per our report of even date

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

Kirti D. Shah
Proprietor
Membership No 32371

Place : Mumbai
Date : 24th May, 2019

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

Dr. Jimmy Mirchandani
Director
DIN 00239021

Dr. Rahul Mirchandani
Director
DIN 00239057

This image shows a full page of blank white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page, providing a template for writing or drawing. There are no margins, text, or other markings present.



49th ANNUAL GENERAL MEETING

Registered Office: Aries House, Plot No. 24, Deonar, Govandi, (East), Mumbai-400 043.

ATTENDANCE SLIP

Please complete this attendance slip and hand over at the entrance of the Meeting Hall

L.F. No(s) / DP ID & Client ID _____

NAME OF THE SHAREHOLDER _____

PROXY _____

No. of Shares held : _____

I / We hereby record our presence at the **Forty Ninth Annual General Meeting** held on **Monday, the 30th September, 2019** at 10.30 a.m. at The Huddle, Stellar Towers, 12th Floor, Opp: K. Star Mall, Diamond Garden, Chembur, Mumbai-400 071,

SIGNATURE OF THE SHAREHOLDER / PROXY* _____

*Strike out whichever is not applicable



49th ANNUAL GENERAL MEETING

Registered Office: Aries House, Plot No. 24, Deonar, Govandi, (East), Mumbai-400 043.

PROXY FORM

I / We _____

of _____ being the Member / Members of ARIES AGRO LIMITED, MUMBAI, hereby appoint

Mr. _____

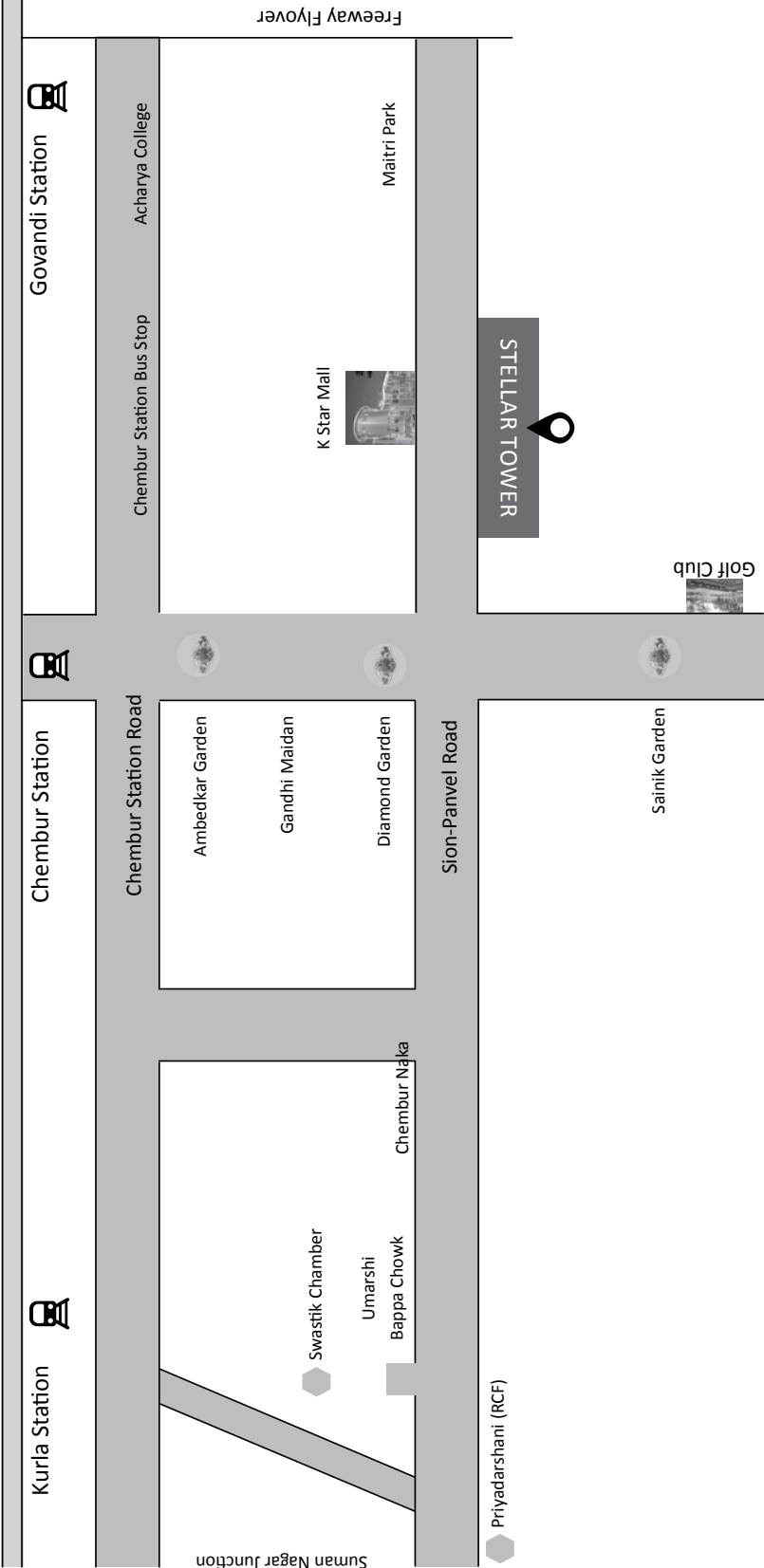
of _____ or failing him Mr. _____

of _____ as my / our proxy to vote for me / us on my / our behalf, at the **Forty Ninth Annual General Meeting** of the Company to be held on **Monday, the 30th September, 2019** and at any adjournment thereof.

Affix
Re.1/-
Revenue
Stamp

Signed this _____ day of _____, 2019

Route Map of the AGM Venue





Southern Region Sales Review Meeting at Goa, June 2018



Maharashtra Annual Planning Meeting at ITM Kharghar, March 2019



Annual Head Office Picnic, July 2018

◀ Festive Celebrations



Aries Family Day Celebrations at Mumbai Head Office



Pot Lunch & Monthly Birthday Celebrations at Mumbai HQ



Flag Hoisting Ceremony on Independence Day, August 2018



Diwali Celebration at Mumbai HQ



Varies Industry Conventions

Research lab visit at The Energy & Resources Institute (TERI) - Delhi, December 2018



Indian MicroFertilizers Manufacturers Association (IMMA) National Crop Nutrition Summit, May 2018



CMD Dr. Rahul Mirchandani's Interview on 'Doubling Indian Farm Incomes' by BBC World Radio



Delegation of Farmers from South Africa visited Aries Head Office to explore possible collaborative opportunities, January 2019



Aries Agro at Krishik Exhibition at KVK, Baramati, January 2019



Investors & Mutual Fund Analyst's Meeting, March 2019



Aries Corporate Social Responsibility

Green cups Distribution in Different Schools
Throughout India, August 2018



Aries Well on Wheels Distribution to women in villages where water scarcity is a major issue & women travel long distances to collect drinking water, November 2018



Donations in Kind towards Kerala Flood Relief and Rehab Fund in Collaboration with Cii Young Indians, November 2018

Aries International Engagement

Iran Agro Exhibition & Customer Meet, June 2018



Aries Agro signs a Technology transfer MOU with the world's best agricultural university-Wageningen University & Research (WUR) based in the Netherlands, during the Trade Mission to India led by the Dutch Prime Minister



Exploring New Agricultural Opportunities at Qatar, January 2019



India-Israel Industrial R & D and Technological Innovation Conclave, July 2018



China International Agro chemicals & Crop Protection exhibition, March 2019



Interactive session on "New Age Technologies as well as Eco System of Entrepreneurship" With Georgetown McDonough School of Business, March 2019

Media Highlights



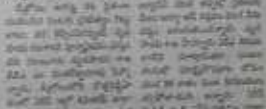
BRIEFINGS

Aries agro to set up largest micronutrient unit in AP

Aries Agro is setting up a new manufacturing unit for secondary and micronutrients as well as water-soluble major fertilizers. The new manufacturing facility is located at Medak in Andhra Pradesh and it is the largest manufacturing unit in India for micronutrients. The new unit will add the fresh capacity of 32,400 TPA and will also be engaged in the packaging of other major brands including Macrofert, Boron 20 and Fertimax with a packing capacity of 9 million pouches per year. Aries has invested Rs 245 lakhs into the new plant and will serve over three million farmers across the different states in Andhra Pradesh, Chhattisgarh, Madhya Pradesh, Tamil Nadu, Karnataka and Orissa.



నెల్లూరులో రైతులకు మొక్కలు పంపిణీ



डिगमंडी स्कूल में कीर्ति सचदेवा ने फहराया तिरंगा

एन ए आर ग्रो (आरिआग्रो) डिगमंडी के छात्रों के बीच राष्ट्रीय ध्वज फहराया। इस अवसर पर डिगमंडी छात्रों को अनेक उपहार दिए गए।

ఎరీస్ ఆగ్రో నుంచి మరో భారీ పరిశ్రమ

హైదరాబాద్ పేర్లో 34 ఎకరలకు వైతం పెరుగుతూ ఉన్న భారీ పరిశ్రమను ఏర్పాటు చేసినట్లు ఆగ్రో గ్రూప్ నుండి తెలుసుకున్నాం. ఈ పరిశ్రమలో 32,400 టీఎఫీఎం (Tons Per Annum) వైతం పెరుగుతూ ఉంటుంది. ఈ పరిశ్రమలో 32,400 టీఎఫీఎం (Tons Per Annum) వైతం పెరుగుతూ ఉంటుంది.

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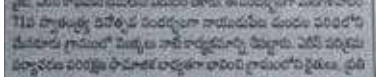
అంజిత నోటో పుస్తక వితరణ

అంజిత నోటో పుస్తక వితరణ కార్యక్రమం ఏర్పాటు చేయబడింది. ఈ కార్యక్రమంలో అంజిత నోటో పుస్తక వితరణ కార్యక్రమం ఏర్పాటు చేయబడింది.



సామాజిక అంశాలపై అంజిత నోటో పుస్తక వితరణ

సామాజిక అంశాలపై అంజిత నోటో పుస్తక వితరణ కార్యక్రమం ఏర్పాటు చేయబడింది. ఈ కార్యక్రమంలో సామాజిక అంశాలపై అంజిత నోటో పుస్తక వితరణ కార్యక్రమం ఏర్పాటు చేయబడింది.



ఏరిస్ ఆగ్రో నుండి రైతులకు మొక్కలు పంపిణీ

ఏరిస్ ఆగ్రో నుండి రైతులకు మొక్కలు పంపిణీ కార్యక్రమం ఏర్పాటు చేయబడింది. ఈ కార్యక్రమంలో ఏరిస్ ఆగ్రో నుండి రైతులకు మొక్కలు పంపిణీ కార్యక్రమం ఏర్పాటు చేయబడింది.

• BOOK POST •