Online

Date: 10th August, 2018

National Stock Exchange of India Limited
Exchange Plaza,
Plot No. C/1, G. Block,
Bandra- Kurla Complex,
Bandra East, Mumbai-400 051

Ref: Symbol- DHANUKA

Bombay Stock Exchange of India ltd.
Corporate Relationship Department
1st Floor New Trading, Rotunda Building,
P J Towers, Dalal Street Fort,
Mumbai- 400 001

Scrip Code: 507717

Sub: Submission of Annual Report

Dear Sir,

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, we enclosed herewith Annual Report of Dhanuka Agritech Limited ("the Company") for FY 2017-18, as approved and adopted in the Annual General Meeting of the Company held on 10th August, 2018.

Please take the above information on record.

Thanking You,
Yours faithfully,

For Dhanuka Agritech Limited

Jyoti Verma
Company Secretary
FCS- 7210

Encl: a/a

TRANSFORMING INDIA

Through Agriculture



33rd Annual Report 2017-18

dhanuka

Dhanuka Agritech Limited

Transforming India Through Agriculture





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Transforming India Through Agriculture





Despite enormous potential for achieving more efficiency in modernizing agriculture in India, the innovations in agriculture technologies and various emerging sub sectors are surging ahead with comparably very little progress in the capacities of the vast work force to match the developments.

More than 60% of India's population is dependent either directly or indirectly on agriculture and allied services. Still, there is major disparity between the urban and rural India in terms of social status, life style and Incomes. This leads to migration from rural areas to urban areas resulting in urban blight as well. In order to transform this scenario, we need to work towards improvement of farmer's life style and social status by increasing their income. We can say we need to transform Social Status of our farmers. With the vision of "**Transforming India through Agriculture**" Dhanuka is continuously working towards farmers' prosperity and doubling their income". In order to find out farmer's issues and best possible solutions , we are reaching to farmer's place by many mediums like Farmers' Conference, One - to - One Meeting, Training sessions of new introduced technology etc.

Dhanuka is regularly organizing various conferences to support PM's Vision "Doubling Farmers' Income" under our vision of "Transforming India through Agriculture".

Initiatives under Transforming India through Agriculture

"For Doubling Farmers' Income"



Krishak Goshthi for Doubling Farmer Income in Bikaner, Rajasthan



Dhanuka organized 'Krishak Goshthi' for farmers of Rajasthan in Bikaner. The open house was organized to discuss various approaches for doubling farmer's income to support Prime Minister's vision of achieving this target by 2022. Shri Arjun Ram Meghwal, Hon'ble Union Minister of State, Ministry of Water Resources, River Development & Ganga Rejuvenation was the chief guest.

Press Meet at Bhopal



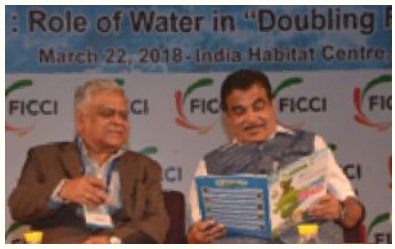
Dhanuka organized "Press Meet for Doubling Farmers' Income" in Bhopal to discuss various approaches that can be adapted by farmers and associated communities in India that will help in doubling their income.

Krishak Sammelan at Hoshiarpur, Punjab



Two days 'Krishak Sammelan' was organised for farmers in Shri Hargovindpur, Kotla and Hoshiarpur in Punjab on 9th and 10th June 2018 to discuss various approaches for doubling farmer's income. The meet was attended by Sri Gajendra Singh Shekhawat, Hon'ble Minister of state for Agriculture & Farmers on 9th June and Smt. Krishna Raj Hon'ble Union Minister of State for Agriculture on 10th June and Mr. Vijay Sampla, Minister of State for Social Justice and Empowerment for both days. During the program farmers got the training on different new and innovative technology for increasing their income.

Dhanuka Agritech in association with FICCI promotes sustainable use of water



On the occasion of World Water Day Dhanuka Agritech Limited supported the "World Water Day" conference on "Role of Water in Doubling Farmers' Income" organized by FICCI and supported by ACFI. *Hon'ble Minister for Road, Transport & Highways, Shipping and Water Resources, River Development and Ganga Rejuvenation* **Shri Nitin Gadkari***; Minister of State for Parliamentary Affairs and Water Resource, River Development & Ganga Rejuvenation* **Mr Arjun Ram Meghwal** ; Padma Bhushan **Dr R.B.Singh** along with other Honorable dignitaries addressed the summit and discussed about rain water harvesting and modern irrigation techniques to increase farmers yield.

We are Dhanuka Agritech Limited

About Dhanuka

Dhanuka Agritech Limited manufactures a wide range of farm input products to support the farmer in his pursuit for better crop, better farming and better life. The Company has a pan-India presence through its marketing offices in all major states in India, with a network of more than 8,000 distributors selling to approx. 80,000 retailers across India and reaching out to more than 10 million farmers. The Company has technical tie-ups with 4 American and 6 Japanese companies.

Dhanuka Agritech is among the top five companies in India in Brand sales. With more than 200 registrations and 500 active SKUs, the company has one of the largest market penetration. Dhanuka Agritech currently has 30 Branch offices across India and 48 warehouses.

Dhanuka is a preferred Brand among progressive farmers. Growth drivers are the intensive marketing network penetrating even the interiors of India, increased farm income, enhanced awareness about the cost-benefit ratio of agro-chemicals, highly diverse product range with solution for almost all problems in all crops, innovative marketing strategies and international technical tie-ups. The Company keeps adding new products every year through its collaborations and is continuously on the lookout to bring the latest technology to Indian Farmers.

Manufacturing Facilities

Sanand (Gujarat):

Second largest capacity for manufacturing granules in India. Land area of 62,700 square metres. Largest dedicated Cartap Hydrochloride SP formulation facility.

Dhanuka Agritech Limited

TITLEE

Great Place To Work®

Certified

MAY 2018–APR 2019

INDIA

Udhampur (Jammu and Kashmir):

State of-the-art production facility having 12 filling lines dedicated to liquids like EC, SC & SL. Online monitoring of quality conforming to the highest standards. Two separate lines for powder formulations. Zero water discharge facility.

Keshwana (Rajasthan)

Dhanuka has already commissioned its new plant at Keshwana in Rajasthan which will have one of the largest liquid formulation facilities in India at its full capacity. The production of this Unit has already started from March, 2016 and the plant is fully operational from the financial year 2017-18.

Quality

Over the years, Dhanuka Agritech Limited invested in process and product excellence. The Company is ISO 9001:2015-certified across all locations. The Company's Keshwana & Udhampur units are certified with ISO : 9001:2015 & ISO: 14001:2015 and OHSAS 18001:2007. Dhanuka's R&D centre (Gurgaon) is certified by the Ministry of Science and Technology, Government of India, and NABL Certification from National Accreditation Board for Laboratories as a certified research lab.

Team

Dhanuka Agritech comprises around 1,300 employees and more than 1,500 Dhanuka Doctors, who disseminate information to farmers on 'Dhanuka kheti ki nayi takneek'.

Reflection from the Chairman

Agriculture is the backbone of Indian economy as more than 60% of rural population is directly or indirectly depend on agriculture and allied sector for their livelihood. Agriculture along with Horticulture, Animal husbandry, fishery, dairy etc. are the major contributors in country's GDP. Economic Survey 2018 indicates better economy in which country's GDP growth is estimated to be 7 to 7.5% in the financial year 2018-19. According to Economic Survey 2018 India's contribution to world economy has increased a lot now because China is currently busy trying to balance itself. Agricultural growth is estimated to be 2.1 percent in the current financial year. According to the survey, the consumption-based growth will be seen in the coming financial year.

Farmers who provide food to us, today are going through a phase of change and now they will have to adopt new technologies to increase its production and profits. Agriculture will now have to move towards agribusiness rather than traditional agriculture for doubling farmers' income. The budget 2018 was fully dedicated to the farmers, under which agriculture loan has been increased by 10 percent to 11 lakh crore for 2018-19 and it is a revolutionary step to increase the minimum support price (MSP) for all crops by 1.5 times the cost of production. 2600 crores for agricultural irrigation scheme is an important step of government of India towards bringing water to every farm. Overall, policies of the Government of India are being made by keeping the agriculture and rural communities in the center.

Doubling farmers' income by 2022, when the country will be celebrating 75 years of independence is the major agenda of Honorable Prime Minister Shri Narendra Modi. However, the most difficult question is 'How', whenthe Indian agriculture is growing at slow pace, and facing the challenges to produce more from less for more to meet the needs of the growing human and animal population under fast diminishing arable area and water resources.

Broadly for doubling farmer's income we need to increase the productivity and also create the new agribusiness dimensions like market reforms, cold storages, rural infrastructure, smooth supply chain etc. Data from 2013 reveals that India's average yield of cereal per hectare is far less than that of many countries (including several low income countries), but the difference is huge when compared to China. For instance, our average yield per hectare is 39% below than that of China and for rice this figure is 46%. Even Bangladesh, Vietnam and Indonesia fare better than India in case of rice yield. Further, there is a huge inter-regional variation; the wheat and rice yield from Haryana and Punjab is much higher than from the other states. Now there is a need to herald a rainbow revolution by making a shift from wheat-rice cycle to other cereals, pulses, horticulture, vegetables crop and oil seeds.

For doubling farmers' income Honorable Prime Minister has appointed a committee under chairmanship of Dr. Ashok Dalwai, Secretary (MA&FW), who is also CEO of the National Rainfed Area Authority (NRAA) of India. In his report he has mentioned that in cost of cultivation, pesticide cost is just 0.4% in Indian farming. According to Dr. Dalwai, by 2022 we will require INR 6,99,900 Cr for doubling farmers' income and from budget such type of allocation is not possible. He has advised that private sector also have to come forward for investment in agriculture sector.

Our recommendation for helping in 'Doubling Farmers' Income' :

A) Our farmers are not getting new & farm friendly technology and they are mostly depend on inputs dealer for this. By providing the training to these inputs dealers through the MANAGE & other universities and KVKs, we can provide the new technology to the farmers which will help in maximizing their income.

B) By rain water harvesting, we may save huge amount of rain water and use in agriculture. Farmer should construct small ponds in their farm and use the collected rain water in agriculture when it is needed most.

C) Creating Self-Help Group by the group of farmers and taking market advantage by selling their produce on best price.

D) By supplying best quality inputs like seeds, fertilizers, agrochemicals and drip irrigation.

As we have a lot of diversity in terms of agro-climatic conditions, there is a very high potential which needs to be harnessed by working in desired directions. The emphasis has been on agricultural output, rather than on farmers' incomes. With a good strategy, well-designed programmes, adequate resources and good governance in implementation this target is achievable. As a large percentage of our population depends on agriculture, doubling of farmers' incomes will have strong benefits for other sectors of the economy as well. The overall strategy of NDA Government led by Hon'ble Prime Minister - Shri Narendra Modi to transform farming 'from a production-based activity into an income and job-generating enterprise', is surely a herculean step forward towards doubling the income (in real terms) of the farming community.

R.G. Agarwal
Group Chairman



Financial Highlights

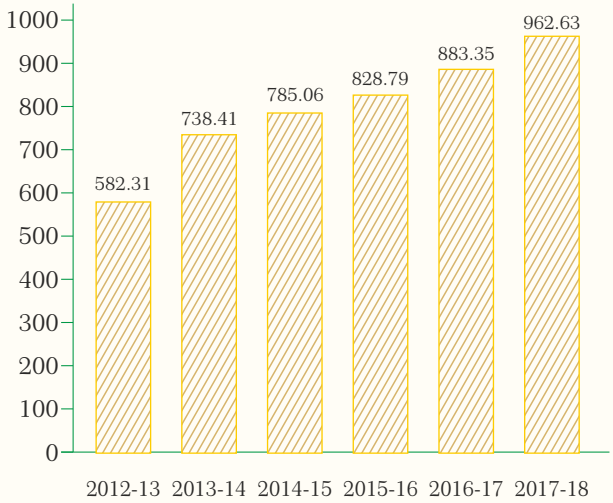
Year	Revenue (Rs. in Crores)	PAT (Rs. in Crores)	Net Worth (Rs. in Crores)	EPS (in Rs.)	EBIDTA (Rs. in Crores)	EBIDTA Margin	PAT Margin
2012-13	582.31	64.45	262.77	12.88	88.85	15.26	11.07
2013-14	738.41	93.14	332.49	18.62	125.34	16.97	12.61
2014-15	785.06	106.08	404.98	21.22	137.84	17.56	13.51
2015-16	828.79	107.31	480.44	21.45	152.35	18.38	12.95
2016-17	883.35	121.86	519.85	24.37	187.38	21.21	13.80
2017-18	962.63	126.17	633.36	25.71	182.09	18.92	13.11



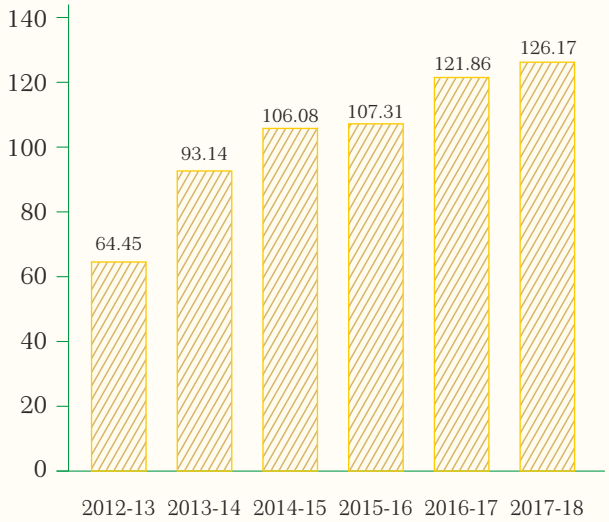
Mahendra Kumar Dhanuka

(Managing Director)

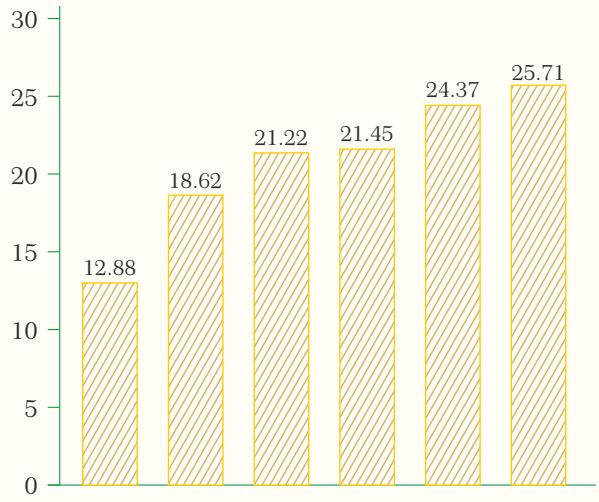
"During FY 2017-2018, Dhanuka has registered a growth of 8.97% in Adjusted Turnover. Board announced and recommended payment of final dividend @ 175% i.e. Rs. 3.50 per equity share. With this, the total dividend(Interim and Final) for the year stood at 275% i.e. Rs. 5.50 per equity share."



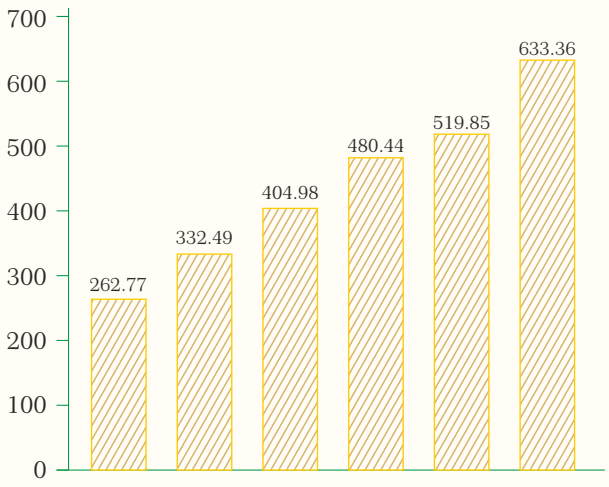
Revenue (Rs. in Crores)



PAT (Rs. in Crores)



EPS (in Rs.)



Net Worth (Rs. in Crores)

Notes :

1. Increased Adjusted Revenue by 8.97% from Rs. 883.35 Crores in FY 2016-17 to Rs. 962.63 Crores in FY 2017-18.
2. Increased EBIDTA Margin by 18.92% from Rs. 187.38 Crores in FY 2016-17 to Rs. 182.09 Crores in FY 2017-18.
3. Increased Net Worth by 21.84% from Rs. 519.85 Crores in FY 2016-17 to Rs. 633.36 Crores in FY 2017-18.

Contact Information

Board of Directors
Mr. Ram Gopal Agarwal, Chairman
Mr. Mahendra Kumar Dhanuka, Managing Director
Mr. Arun Kumar Dhanuka, Executive Director
Mr. Rahul Dhanuka, Executive Director
Mr. Mridul Dhanuka, Executive Director
Mr. Ashish Saraf, Executive Director
Mr. Sachin Kumar Bhartiya, Independent Director
Mr. Indresh Narain, Independent Director
Mr. Priya Brat, Independent Director
Mr. Vinod Kumar Jain, Independent Director
Mrs. Asha Mundra, Independent Director
Mr. Om Prakash Khetan, Independent Director
Mr. Sanjay Saxena, Additional Independent Director

President & Chief Financial Officer
Mr. Vinod Kumar Bansal
14th Floor, Building 5A, DLF Epitome, Cyber City,
DLF Phase III, Gurugram-122002, Haryana
Phone Nos.: (0124) 3838500

Company Secretary & Compliance Officer
Ms. Jyoti Verma
14th Floor, Building 5A, DLF Epitome, Cyber City,
DLF Phase III, Gurugram-122002, Haryana
Phone Nos.: (0124) 3838500
E-mail: investors@dhanuka.com

Internal Auditors
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Chartered Accountants
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Motia Khan, New Delhi - 110055

Cost Auditors
M/s. S. Chander & Associates
Cost Accountants
212, IInd Floor, Sarai Pipal Thala, G.T.
Karnal Road, Azadpur, Delhi - 110033

Statutory Auditors
M/s. S.S. Kothari Mehta & Co.
Chartered Accountants
Plot No - 68, First Floor, Phase -3,
Okhla Industrial Area, New Delhi - 110020
(Current Statutory Auditors)

Statutory Auditors
Ambani & Associates LLP
Chartered Accountants
WP-501/A, II Floor, Shiv Market,
Ashok Vihar- I, New Delhi-110052
(Previous Statutory Auditors for Financial Year 2017-18)

Secretarial Auditors
M/s. R&D
Company Secretaries
785, Pocket E, Mayur Vihar II, New Delhi - 110091

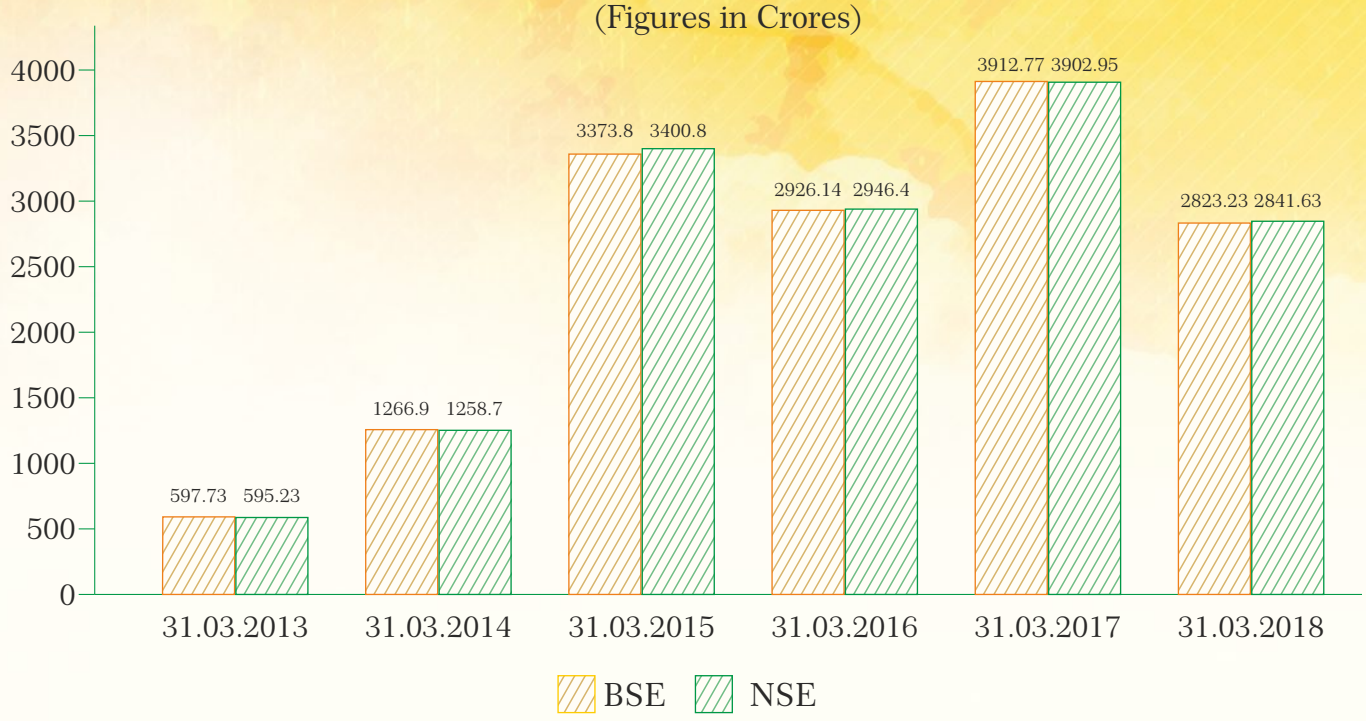
Registrar and Transfer Agents
M/s. Abhipra Capital Limited
Abhipra Complex, A-387, Dilkhush Industrial Area,
G.T. Karnal Road, Azadpur, Delhi - 110033
Phone Nos. : (011) 42390909/708/783
E-mail : info@abhipra.com, rta@abhipra.com
Website : www.abhipra.com

Bankers
The Hongkong & Shanghai
Banking Corporation Limited, HDFC Bank Limited

Listing
Bombay Stock Exchange Limited
National Stock Exchange of India Limited

Market Capitalization

(Figures in Crores)



YEAR	BSE	NSE
31.03.2013	597.73	595.23
31.03.2014	1266.9	1258.7
31.03.2015	3373.8	3400.8
31.03.2016	2926.14	2946.4
31.03.2017	3912.77	3902.95
31.03.2018	2823.23	2841.63

Management Discussion and Analysis

Agriculture and Indian Economy

Agriculture plays a vital role in India's economy. Over 58 per cent of the rural households depend on agriculture as their principal means of livelihood. The share of primary sectors (including agriculture, livestock, forestry and fishery) is estimated to be 20.4 per cent of the Gross Value Added (GVA) during 2016-17 at current prices. GVA from the sector is estimated to have grown at 3 per cent in FY18.

The Indian food industry is poised for huge growth, increasing its contribution to world food trade every year due to its immense potential for value addition, particularly within the food processing industry. The Indian food and grocery market is the world's sixth largest, with retail contributing 70 per cent of the sales. The Indian food processing industry accounts for 32 per cent of the country's total food market, one of the largest industries in India and is ranked fifth in terms of production, consumption, export and expected growth. It contributes around 8.80 and 8.39 per cent of Gross Value Added (GVA) in Manufacturing and Agriculture respectively, 13 per cent of India's exports and 6 per cent of total industrial investment.

Market Size

During FY 2017-18, crop year, food grain production is expected to reach a record 277.49 million tonnes. During 2016-17, it was 275.68 million tonnes.

India has been the world's largest producer of milk for the last two decades and contributes 19 per cent of the world's total milk production. India is emerging as the export hub of instant coffee which has led to exports of coffee increasing 17 per cent in calendar year 2017 to reach US$ 958.80 million. Tea exports from India reached a 36 year high of 240.68 million kgs in CY 2017.

India topped the list of shrimp exporters globally in 2016 with exports of US$ 3.8 billion which are expected to double to US$ 7 billion by 2022.

Total area in India, sown with rabi crops reached 64.29 million hectares in February 2018. India is the second largest fruit producer in the world. India's horticulture output reached 300.64 million tonnes in 2016-17 and is expected to reach 305.43 million tonnes in 2017-18.

Agricultural export constitutes 10 per cent of the country's exports and is the fourth-largest exported principal commodity. Agricultural exports from India reached US$ 28.09 billion during April 2017-January 2018 with exports of basmati, buffalo meat reaching US$ 6.19 billion and US$ 6.59 billion, respectively.

India is the largest producer, consumer and exporter of spices and spice products. Spice exports from India grew by 6 per cent year-on-year between April-September 2017 to

US$ 1.37 billion. Dairy sector in India is expected to grow at 15 per cent CAGR to reach Rs 9.4 trillion (US$ 145.7 billion) by 2020.

The online food delivery industry grew at 150 per cent year-on-year with an estimated Gross Merchandise Value (GMV) of US$ 300 million in 2016. The sector grew 15 per cent every quarter during January-September 2017.

Foreign Direct Investments in Agriculture Sector

According to the Department of Industrial Policy and Promotion (DIPP), the Indian agricultural services and agricultural machinery sectors have cumulatively attracted Foreign Direct Investment (FDI) equity inflow of about US$ 2.02 billion and US$ 466.31 million, respectively, during April 2000 to December 2017. The food processing sector attracted FDI of US$ 8.37 billion in the same period.

Some major investments and developments in agriculture are as follows:

- The first mega food park in Rajasthan was inaugurated in March 2018.
- Sugar production in India is expected to reach 27.2 million tonnes in 2017-18 season (October-September).
- In January 2018, India Agri Business Fund II (IABF-II), co-sponsored by Rabobank, the UK's CDC Group and Asian Development Bank (ADB), made an investment worth US$ 10 million for a minority stake in Global Gourmet Pvt Ltd, a frozen food products exporting company.
- A loan agreement of US$ 318 million was signed between the Government of India, Government of Tamil Nadu and the World Bank in December 2017 for the 'Tamil Nadu Irrigated Agriculture Modernization Project' through which around

500,000 farmers in the state are expected to benefit.

- Cotton output in India is expected to increase by 9 per cent in 2017-18 to 37.7 million bales.

Government Initiatives

Some of the recent major government initiatives in the sector are as follows:

- In March 2018, the Government of India extended the urea subsidy to farmers till 2020 with the aim of ensuring supply of urea at statutory controlled prices. Urea subsidy for 2018-19 is estimated at Rs 45,000 crore (US$ 6.95 billion).
- As of March 2018, the Government is working on a plan to provide air cargo support to promote agriculture exports from India.
- The implementation of Pradhan Mantri Fasal Bima Yojana (PMFBY) will be made faster and the government is aiming to increase the coverage under the scheme to 50 per cent of gross cropped area in 2018-19.
- The Government of India is going to provide Rs 2,000 crore (US$ 306.29 million) for computerisation of Primary Agricultural Credit Society (PACS) to ensure that cooperatives are benefited through digital technology.
- Around 100 million Soil Health Cards (SHCs) have been distributed in the country during 2015-17 and a soil health mobile app has been launched to help Indian farmers.
- With an aim to boost innovation and entrepreneurship in agriculture, the Government of India is introducing a new AGRI-UDAAN programme to mentor start-ups and to enable them to connect with potential investors.
- The Government of India has launched the Pradhan Mantri Krishi Sinchai Yojana (PMKSY) with an investment of Rs 50,000 crore (US$ 7.7 billion) aimed at development of irrigation sources for providing a permanent solution from drought.
- The Government of India plans to triple the capacity of food processing sector in India from the current 10 per cent of agriculture produce and has also committed Rs 6,000 crore (US$ 936.38 billion) as investments for mega food parks in the country, as a part of the Scheme for Agro-Marine Processing and Development of Agro-Processing Clusters (SAMPADA).
- The Government of India has allowed 100 per cent FDI in marketing of food products and in food product e-commerce under the automatic route.
- A new platform for selling agricultural produce named e-RaKam has been launched by the Government of India and will operate as a joint initiative of Metal Scrap Trade Corporation Limited and Central Railside Warehouse Company Limited (CRWC).
- Farmers to get 1.5 times of the production cost as MSP for Kharif crops.
- Farmers will get holistic protection with Prime Ministers' Fasal Bima Yojna at Nominal Rates.

Road Ahead

India aims to achieve the ambitious goal of doubling farm income by 2022. The agriculture sector in India is expected to generate better momentum in the next few years due to increased investments in agricultural infrastructure such as irrigation facilities, warehousing and cold storage. Furthermore, the growing use of genetically modified crops will likely improve the yield for Indian farmers. India is expected to be self-sufficient in pulses in the coming few years due to concerted efforts of scientists to get early-maturing varieties of pulses and the increase in minimum support price.

The government of India targets to increase the average income of a farmer household at current prices to Rs 219,724 (US$ 3,420.21) by 2022-23 from Rs 96,703 (US$ 1,505.27) in 2015-16.

Going forward, the adoption of food safety and quality assurance mechanisms such as Total Quality Management (TQM) including ISO 9000, ISO 22000, Hazard Analysis and Critical Control Points (HACCP), Good Manufacturing Practices (GMP) and Good Hygienic Practices (GHP) by the food processing industry will offer several benefits.

Exchange rate used: INR 1 = US$ 0.015 as of March 04, 2018.

References : The Economic Survey 2016–17, Agricultural and Processed Food Products Export Development Authority (APEDA), Department of Commerce and Industry, Union Budget 2017–18, Press Information Bureau, Ministry of Statistics and Programme Implementation, Press Releases, Media Reports, Ministry of Agriculture and Farmers Welfare, Crisil

India Agri input firms expect double - digit growth in Sales, Net Profit in FY19

Companies manufacturing farm input such as seeds, fertilisers and agrochemicals are likely to post double-digit growth in sales and net profit in 2018-19 on the back of an anticipated normal monsoon and the announced increases in minimum support prices (MSPs) for kharif crops in 2018.

Sales of agri raw materials are likely to remain positive on growing rural consumption and rising disposable farm expenditure following the increased farm output during the last kharif and rabi seasons. Though prices of most agri products remained below MSP levels or slightly above the threshold, farmers are inclined to adopt conventional farming and not switch from one crop to another.

"**According to Skymet Weather**, the monsoon is likely to remain normal at 100 per cent (with an error margin of +/-5 per cent) of the long-period average (LPA) of 887 mm from June 18 to September 18. Also, expected hikes in MSP rates are likely to bring in improved expectations for farm income. Higher acreage and yield on the back of improved farmers' sentiments, coupled with recovery in farm income, are likely to bolster growth in the agrochemicals business in 2018-19."

Being a pre-election year, the government is set to lure farmers with an increase in MSP. But a mere increase may not benefit farmers owing to the government's focus on procuring only a few commodities such as wheat, rice and a limited quantity of pulses. Experts, however, say the government may compensate growers by paying them the difference between MSPs and spot prices in the case of other commodities including oilseeds and maize.

"**According to Edelwiess Securities**: After a 7 per cent decline in 2017, sales of primary fertilisers witnessed just 2 per cent growth in 2017-18 on the back of low systemic inventory maintained by fertiliser firms in view of the pan-Indian implementation of direct benefit transfer. Both fertiliser and non-fertiliser sectors recorded 2 per cent growth in FY18. "The scenario is positive for fertiliser companies as they can keep prices intact for the farmers and also be compensated for higher input costs. But, the government's subsidy burden will rise. We believe

non-urea players stand to gain as fertiliser prices at farmer level are expected to remain unchanged and the recent rupee appreciation could lead to better operating margins going ahead." Meanwhile, farmers have urged the government to provide adequate infrastructure facility for procurement and storage of agri produce near production centres.

The government needs to help construct warehouses for cereals and cold storages near major production and consumption centres for cereals and horticultures to prevent farmers from distressed selling during peak harvesting season. While the government promises to double farmers' income by 2022, farmers are not getting their MSP for their produce on the ground.

Source: Business Standard: April 11, 2018

Vision to double farmers' income and reform in agricultural policies:

In 2016, Indian Prime Minister Sh. Narendra Modi unveiled a strategy to double the income of farmers by 2022. To achieve this goal, India has implemented a series of agricultural policies and actions since last year, including but not limited to, issuance of soil health card, crop insurance system, irrigation infrastructure construction, national agricultural market projects and loan policies. At the same time, the Ministry of Agriculture and the Indian Council of Food and Agriculture stressed that to double the income of farmers, it was necessary to improve farmers' awareness of pesticide utilization, reduce crop losses, guide farmers in the correct use of pesticides and learn modern agricultural operations, as well as crack down on fake and shoddy pesticide products. The lack of awareness about the correct use of pesticides has led to a lower level of pesticide utilization, and the current consumption level of pesticides in India is 0.6 kg per hectare, which is far lower than other major agricultural countries, leaving much room for improvement.

The fiscal expenditure budget of the Ministry of Agriculture of India has been increased by 38% over last year, and a total of INR 621.2 billion will be utilize to guarantee the implementation of various governmental agricultural projects and infrastructure. These structural changes will show a positive cumulative effect on the pesticide sector, which is closely related to agriculture in the medium and long term.

Besides this, many Indian enterprises have a large number of distribution networks and farmer service teams in the local market and train farmers regularly. Many companies, including Dhanuka are equipped with "soil detection caravans" to serve farmers directly by detecting soil health status, providing guidance and recommendations for farmers, among others. These activities not only embody the sense of social responsibility of a company, but also show the unique competitive advantages of local enterprises in the Indian market, i.e. they can serve the market and consumers as close as possible.

With the growing spending on pesticides due to the increase in farmers' income, stable planting demand brought about by improved infrastructure (e.g. irrigation system), and the improvement of farmers' awareness and level of pesticide utilization, the domestic market demand will keep rising for a long time.

Source: Agro pages

Future Outlook

Despite industry headwinds such as scanty rainfall and demonetisation-driven demand slump, Company's revenues grew by 7.53% CAGR over Financial Year 2015-18, which was a tad faster than the overall crop protection market growth. Dhanuka remains positive on its long term prospects such as

1) push for higher yields and rising preference for speciality chemicals, is likely to drive long term demand
2) a well-diversified product portfolio and extensive distribution network enable to capture this demand. Nonetheless, its performance remains vulnerable to the monsoon volatility, Dhanuka expects to continue to take in CAGR to slightly higher rate in coming years.

Industry trends favour organised players

Despite sluggish industry growth in the past two years, long-term attractiveness of the industry remains intact.

Farmers' need to achieve higher yield given the population pressure, rise in awareness among them regarding effectiveness of specialty molecules, and gradual rise in farm incomes aided by government schemes are likely to boost demand for agrochemicals. CRISIL Research estimates pesticide demand to grow at 9-11% over FY17-20. Herbicides and fungicides are expected to outgrow insecticides given the shift towards horticultural and cash crops, and rise in labour cost.

Product diversification is a key success factor

In line with the industry, Dhanuka's revenue base is dominated by insecticides (44%), followed by herbicides (30%) and fungicides (15%). The Company has established itself across major crops (rice, cotton, soybean, and vegetables) and geographies (south and west). To enhance its position across the spectrum, the Company has been aggressive in new product launches supported by international tie-ups. Dhanuka has also intensified dealer and farmer engagement programmes. Dhanuka's recent launches have been well received, entrenching brand recall for its products.

Dhanuka's Initiative for Growth

Dhanuka *Kheti Ki Nai Takneek*- A holistic approach

Dhanuka is already well aligned with the vision of NDA Government led by **Hon'ble Prime Minister- Shri Narendra Modi** as since 2005, the Group is advocating 'Dhanuka Kheti Ki Nai Takneek ***(DKKNT)***', a holistic approach of Integrated Crop Management for higher yields and in turn income of the farmers. A brief description of the same follows:

Soil Test : In order to maintain soil-health, farmers should get the soil tested of their land from Govt. accredited labs and adopt fertilizer recomm-endations accordingly. Dhanuka is actively playing facilitator role and also running a Mobile Soil Testing Van which is allotted to company by the Ministry of Agriculture, Govt. of Rajasthan under public-private partnership.



Crop insurance : One of the smart tool provided by Government of India to farmers. Farmer should get their crop insured under the revamped Govt. of India crop insurance scheme. Dhanuka is publicizing this in its monthly advisory for the farmers and the field staff has the necessary brief of opening their meetings-field visits, trainings, on-farm demonstrations etc. with this brief.



Use of Hybrid Seed and Seed Treatment : Before seeding farmers should always go for hybrid and certified seeds, and invariably treat the seeds with appropriate pesticides. Dhanuka is providing machines for seed treatment at the farmer's door-step, providing samples of Vitavax Power for on-farm demonstrations by the Krishi Vigyan Kendras (KVK), developed a jingle (Har Beej ko Suraksha Ka Teeka , Jaise Har Bache Ko Polio Ka Teeka) which was adopted by the Govt. of India as a part of its campaign in 2005.



Judicious Use of Pesticide : It is estimated that ~20 to 30 % are avoidable crop losses due to pests, diseases and weeds though the range was 8 to 90 % depending upon crop, season and severity of attack (IARI, 2008). Farmers' income can be increased or doubled by controlling these pests, diseases and weeds by judicious use of agrochemicals. Dhanuka advocates safe and judicious use of pesticides and following the recommended dose and application methods.

Save Water : Water is essential for human as well as for agriculture and in today's era water stress is on peak especially the countries like India where 54% of the area is living under water stress. From last eight years, Dhanuka Group is organizing World Water Day on 22nd March in partnership with prestigious institutions. Since We have organized drawing competition in more than 1000 schools with around 60000 students have participated in Painting on 'Conservation of Water' message. Dhanuka was also the first among the Pesticide Industry for constructing four check-dams through PHD Chamber of Commerce, in partnership with the local communities in Rajasthan. The Company has also constructed Community Water Centre (CWC) at Banethi, (Kothputli) in Rajasthan.



Environment Safety : In order to save the environment, we are educating the farmer's community not to burn the crop stubbles in the field. Instead plough it in the field to enhance soil biomass and fertility. Crop residue burning is one of the important sources of air pollution. Dhanuka is actively involved in creating awareness of the effect of residue burning and educating the farmers for adoption of zero tillage practices.

Self - Help Group : Self-help groups engaged in development activities have the potential to empower their members through the provision of knowledge, skills, motivation, and competencies that underpin sustainable agriculture. Dhanuka is educating the farmers to create the self - Help Group to take advantage of market for their produce and getting the higher income.



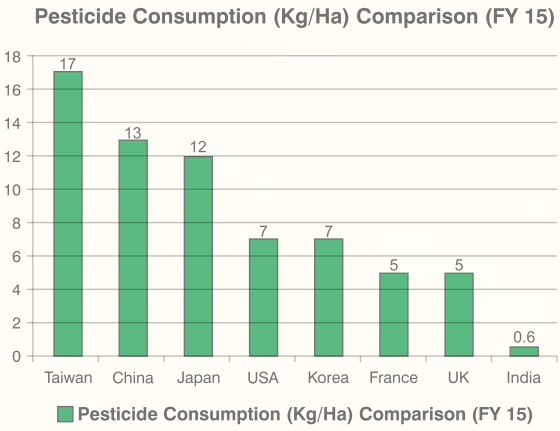
Dealers Training Program (DAESI Program) : Recognizing this important role played by agri-input dealers in transfer of agri-technology to the farmers and need for their capacity building, Dhanuka Group was the first to join hands with MANAGE by providing financial support for Diploma in Agricultural Extension Services for Input Dealers (DAESI) to meet 50 % of the fee for training of agri-input dealers of East Godavari District in Andhra Pradesh. Since MANAGE alone could not reach all the dealers, Dhanuka took initiative under PPP with Anand Agriculture University, Navsari Agriculture University and Junagarh Agriculture University in Gujarat and started similar out-reach Diploma courses for Agri-Input Dealers. Survey by the DAESI program have shown that agri dealers and farmers are benefited.



Myth about Pesticide Residue :

Dhanuka is demystifying the myths about pesticides residues by all possible medium like Media (Television, Print, Online and Social) by one to one interaction during conferences and other public forum so that farmers should get the real price for their produce in domestic and export.

Dhanuka Agritech Ltd, in its continuous endeavor in growth of the Indian farmers, have collaborated with ABP News Network to spread awareness regarding usage of agro chemicals. In its one episode (March 24, 2018 at 12:30 PM and March 25, Repeat telecast), the myths and facts on agro chemical usages have been discussed and various myths concerning the same have been addressed. Such initiatives by corporates will certainly promote the agriculture industry.



Source : Industry Report Analysis by TATA Strategic

13 Episodes TV Series

Focus on Doubling Farmers' Income on ABP News

Indian agriculture currently faces challenges to produce more from less for more to meet the needs of growing human population under conditions of diminishing water resources and expanding environmental stress. To achieve this, Indian's nearly 140 million rural families - mostly farmers owning up to two hectares of land - will have to be provided with the best available technologies and scientific farming methods to raise productivity, increase income and manage natural resources and environment. For addressing these issues, Dhanuka Agritech Limited telecasted a Path breaking 13 Episode series "*Dhanuka Kheti Ki Nayi takneeq, Kisan ki aamdani doguni karne ki disha me ek pahal*" on ABP News network from January 2018 to March 2018.

This 13 episodes series was to educate the world on the most exciting advancements in agriculture and farming. The series viewers were benefitted with an inside track on the most cutting edge advancements. All 13 episodes are available on www.transformingindia.co.in for farmers training and education.



Dhanuka Innovative Agriculture Awards (DIAA) - 2018



Dhanuka Agritech Limited, since its foundation, had been a forerunner in serving the farming community by advocating a holistic concept of '*Dhanuka Kheti Ki Nai Takneek*' so as to sustainably enhance the crop productivity and farmers' income. It has become all the more relevant today as the **Hon'ble Prime Minister Shri Narendra Modi** has made a herculean call for '**Doubling the Farmers' Income by 2022**'.

In order to incentives and encourage innovative and progressive farmers and related organizations and institutions to meet the productivity, income and sustainability goals Dhanuka Group has instituted "**Dhanuka Innovative Agriculture Awards" (DIAA)** in various Crop segments, Save Water Initiative & Rain Water Harvesting Award to Farmers and NGOs/SHGs/Panchayats, and Farmer of the Year Award. Further, ONE Award is for an Institution for 'Developing Innovative Agriculture Technology' and another one is for extension services provider (Agri - Inputs dealers & distributors). All total 34 awards will recognise the outstanding efforts of Farmers/Research Institution /SAUs/ CAUs/ KVKs by way of a cash prize and citation.

DIAA has invited applications from progressive farmers / Research Institutions / SAUs /CAUs / KVKs / NGOs / SHGs / Agri - Input Dealers & Distributors / Panchayats etc. across the country who, through their farming practices / Innovation, are helping to regenerate India's agricultural landscapes, communities and food systems which will contribute to Food Security and Doubling the Farmers' Income at large.

It is expected that the Award Winners will be Leaders and will serve the farming community as a model for rational management of resources, including land, labour, capital, water, soil nutrient, knowledge and new technology. The Awardees will be the spark-plugs for motivation and legitimization for extended reach.

Awards & Accolades



Dhanuka has won Amar Ujala CSR Award for the outstanding work in Save Water, Education, health and women empowerment



Awarded as winner by ASSOCHAM's "Water Management Excellence Awards 2018" under category of "Excellence in the Field of Water Education & Awareness"



Dhanuka Agritech Limited was awarded the title of 70 Most Trusted Power Brands - 2017-18. Mr. M.K. Dhanuka & Mr. Sachin Bhartiya received the award



Mr. Rahul Dhanuka, Director Marketing, DAL was honored by SPJIMR Alumni Awards 2017 in the 'Best Company of the Year' category



Dhanuka was awarded for 25 greatest value creators by "The Fortune India Next 500 universe"



Dhanuka Agritech Limited was Awarded for "Commendable Work for Changing Public Perception" by FICCI

New Launches 2017-18



Dumil - Herbicide - Dumil is a selective, post-emergence herbicide used in Soybean and Groundnut which acts as ALS Inhibitor.

Fenox - 1000 Herbicide - Effective solution for management of grassy weeds in wheat.

Godiwa - Godiwa , a broad spectrum and systemic fungicide, belongs to strobilurin group which has excellent preventive and curative action and stops spores germination, inhibits existing infections and prevent the further disease development.

Godiwa Super - Godiwa Super provides highly effective protection against target diseases by moving throughout the leaf protecting areas of the plant that fungicide application typically miss.

Markar Super - Markar Super a revolutionary product that effectively controls termites through contact, stomach and repellent action.

D-One - D-One belongs to a new class of insecticides with a unique mode of action. It is one stop solution for 3 major problems of cotton (Jassid, aphids and Mealybug).

Suelo - Suelo launched first time in India by Dhanuka, is a Soil Health Enhancer formulated using patented OROWET technology which improves the quality of soils, fatigued by continues use of fertilizers, agro chemicals and intensive farming.

Domar - Domar is Highly soluble and very effective for sucking insects such as Brown Plant Hopper, White Black Plant Hopper, Aphids and Jassids.

Corporate and Social Responsibilities by Dhanuka

Save Water Initiatives

World Water Day Celebration

It was nearly a decade ago recognizing the impending scarcity of water, Dhanuka came up with a massive campaign "Gaon Ka Pani Gaon Mein aur Khet Ka Pani Khet Mein" to create mass awareness about conservation and judicious use of water. You will be extremely happy to note that our vision has been beautifully aligned with Government of India's agenda regarding water conservation for irrigation. The Government of India recognises the importance of Water Conservation, Micro-irrigation, Watershed Development and 'Pradhan Mantri Krishi Sinchai Yojana'; enhanced water efficiency through `Per Drop More Crop'.



Dhanuka has been celebrating World Water Day on March 22 every year since 2010 in partnership with prestigious National Institutes, State Agricultural Universities etc. where lectures on water conservation & reuse were organized. In addition, Drawing Competitions are organised on 'Conservation of Water' theme in schools, Sixty seconds documentary- Insaan Paani Bana toh Nahi Sakta per Bacha Jaroor Sakta Hai, highlights the importance of water, informative literature, Posters, Yagya etc are being regularly undertaken. The Company have constructed 4 (Four) check dams in Jugalpura, Devipura (District Sikar), Mainpura ki Dhani and Sankotra, (Jaipur district), Rajasthan. It is expected to benefit approximately 3000 households having a population of over 20000. Now all Check-Dams are operational and full after rain.

Education Initiatives

Shri Chiranjilal Dhanuka Higher Secondary Adarsh Vidhya Mandir , Ratangarh (Churu)

On the occasion of Birth Centenary Year of Late Shri Chiranjilal Dhanuka, a grand school building was constructed on Rishikul Road which was dedicated by the national and state dignitaries on the 100th Birthday of Late Shri Chiranjilalji Dhanuka on Sunday, the 11th of February 2018. Equipped with grand and modern facilities, this is a unique school in this region.



Mid-Day Meal

Dhanuka contributed to Akshaya Patra for feeding mid day meal to underprivileged children studying in schools.



Bharat Lok Shiksha Parishad

Bharat Lok Siksha Parishad (Ekal Vidyalayas) were also supported by the Company in 30 villages, benefiting 909 children in age group 6 to 14 years, mostly from Scheduled Tribe and Schedules castes.



Training & Development Initiatives

Krashak Goshthi' for 'Doubling Farmer's Income Organized by Dhanuka

A 'Krashak Goshthi' has been organized by Dhanuka Agritech Limited for 'Doubling Farmer's Income' on the occasion of 100 years of Mahatma Gandhi's first movement against British Raj – Champaran Satyagraha. The event, held in Motihari was inaugurated by Shri Radha Mohan Singh, Union Minister of Agriculture and Farmer's Welfare on April 2017 at Motihari (East Champaran)

On this occasion, Mr. R G Agarwal, Group Chairman, Dhanuka Agritech has shown his commitment to provide world class agro-solutions to farmers across the Indian geography. Dhanuka Agritech is advocating '*Dhanuka Kheti Ki Nai Takneek* (DKKNT)', a holistic approach of Integrated Crop Management for higher yields and in turn income. DKKNT focused on complete end to end farming solutions which help in boosting the production and increasing the farmer income. Shri Agarwal said "this is in our blood that we treat our land as our mother and taking care of our mother is our prime duty so in this pedagogy Dhanuka continuously educating farmers to do the soil testing of their land and accordingly apply recommended fertilizer to produce healthy crop and maintain healthy soil. We are advocating Pradhan Mantri Fasal Bima Yojna (PMFBY), recommending the use of Hybrid Seeds and Seed treatment. We have given slogan "*Har Beej ko Suraksha Ka Teeka, Jaise Har Bacche Ko Polio Ka Teeka*.



Health Initiatives

Towards serving for society, Dhanuka donated through its Trust Rs. 1 Cr. (One Crore Rupee) to Ramakrishna Mission Sevashrama, Vrindavan, Distt. Mathura for construction of New Maternity Ward called Cathlab. The inaugural ceremony of newly installed Cathlab was held on April 8, 2017 by Shri Ram Nath Kovind, Hon'ble President of India, Former Hon'ble Governor of Bihar, revered Srimat Swami Nityasud-dhanandjee Maharaj, Secretary, Ramakrishna Mission Sevashrama, Haridwar, our respected Chairman Sri R. G. Agarwal, DAL and Sri R. Krishna Kumar, Sr. Trustee of Tata Trusts, Mumbai and various dignitaries. The new CathLab will provide its services at highly concessional rates to all its patients. Many monks, doctors, nursing staff, nursing students, friends and well – wishers participated in the dedication ceremony in the hospital and the public meeting held in Swami Vevekananda Auditorium.



Contributed Rs. 1,00,000/- to **Deepashram**, a home for mentally and Physically Challenged orphan boys run by the Missionaries of Charity.

Contributed Rs. 180,000/- to **Win Over Cancer**, an NGO running around 12 programs of which one is Free Distribution of Prosthetic Bra to Breast Cancer Survivors pan India including weekly OPD at AIIMS and Rajiv Gandhi Cancer Hospital. It also runs program "Financial Rehabilitation of Cancer Patients".

Contributed Rs. 25,00,000/- to **Nav Bharat Seva Samiti** for Helathcare Projects.

Contributed Rs. 6,25,000/- to **Sant Parmanand Hospital** for 500 eye operations.

Contributed Rs 25,44,000/- to **Shri Ram Krishna Sewa sansthan and Cancer Hospital** for cancer patients.

Fostering Growth Beyond Borders

Our hunger for growth was never satisfied. Because, we understand that when we prosper, so do millions of farmers across India. Our success is theirs as well. And that drives us to seek new opportunities, new solutions and grow beyond boundaries. In agro-Chemical we seek :

- New crop protections for Indian farmers
- Tie-ups for marketing of new agrochemicals

This has lead us to collaborate with international giants to provide more efficient, more effective and more advanced soultions to the Indian farming community.

Strategic Partnerships

Nissan Chemical, Japan	Corteva Agriscience, USA	ORO Agri, USA
FMC Corporation, USA	Sumitomo Chemical, Japan	Mitsui Chemicals Inc., Japan
Oat Agri, Japan	Hokko Chemical, Japan	Arysta Life Science, Japan

Directors' Report

Dear Members,

Your Directors are pleased to submit the 33rd Annual Report on the Business and Operations of the Company along with its Audited Standalone and Consolidated Financial Statements for the Financial Year (FY) ended 31st March, 2018.

1 Financial Highlights

(Rs. in Crores)

Particulars	FY 2017-18	FY 2016-17
Revenue From Operations	976.24	1000.77
Adjusted Revenue from Operations (Net of ED)	962.63	883.35
EBIDTA	182.09	187.38
Depreciation Finance Cost Provision for Taxation	14.22 0.87 40.83	14.86 0.99 49.67
Profit after Tax (PAT)	126.17	121.86
Appropriations: • Transfer to General Reserve • *Final Dividend • Interim Dividend (Paid) • Dividend Tax (Interim & Final)	 - 17.18 9.82 5.49	 11.94 2.94 - 0.60
EPS (Basic & Diluted) (In Rs.)	25.71	24.37

Note: As Wholly Owned Subsidiary Dhanuka Agri Solutions Private Limited has not yet started its operations, figures are same on Standalone and Consolidated Basis
*Final Dividend 2017-18 (Proposed)

During FY 2017-18, adjusted revenue from operations was Rs. 962.63 Crores as compared to Rs. 883.35 Crores in FY 2016-17, registering a growth of 8.97%. Earnings before Interest, Depreciation and Tax (EBIDTA) for FY 2017-18 was Rs. 182.09 Crores as compared to Rs. 187.38 Crores in FY 2016-17, reflecting a decline of 2.82%.

Profit after Tax (PAT) for the FY 2017-18 was Rs. 126.17 Crores as against Rs. 121.86 Crores in FY 2016-17, showing an increase of 3.54%. During FY 2017-18, Earning per Share (Basic and Diluted) has increased from Rs. 24.37 to Rs. 25.71.

Driven by the focus of winning customers through planned strategies, Company's financial performance continued to gain momentum quarter after quarter this year resulting in nearly 9% growth in Adjusted Turnover over the previous year. With this year's favorable monsoon forecast coupled with a slew of measures announced by the Goverment of India in Agriculture Sector, we are hopeful of achieving better performance in the Fiscal Year 2018-19 through improvement in our product mix, ongoing branding initiatives and new product offerings.

2 Financial Accounting and Adoption of Ind AS

The Ministry of Corporate Affairs (MCA) has notified phase- wise road map for the adoption of Indian Accounting Standard ("Ind AS"), converged with International Financial Reporting Standards (IFRS), vide its notification dated 16th February, 2015, announcing the Companies (Indian Accounting Standards) Rules, 2015 as amended by Indian Accounting Standards ("Ind AS") Rules 2016 and 2017 for application of the Ind AS.

Accordingly, your Company has adopted Ind AS with effect from the FY 2017-18 (along with comparative for the FY 2016-17), which is covered under Phase-II, based on net worth criteria. Your Company maintains highest Standards of Corporate Governance and recognizes that Financial Statements are important source of information for the Shareholders and other Stakeholders.

The Financial Statements for the FY 2017-18 are the First Financial Statements with comparatives prepared under Ind AS. Notes to Standalone Financial Statements provide further explanation on the transition to Ind AS.

3 Business Operations

Your Company continues to remain debt-free, due to robust Financial Management. Additionally, it has a healthy Net Worth of Rs. 633.36 Crores as on 31st March, 2018. ICRA has accorded (ICRA) AA- (Stable outlook) rating for fund based limits and (ICRA) A1+ rating for non-fund based limits of the Company.

CRISIL has assigned Fundamental grade 4/5 (Superior Fundamentals) and Valuation grade 5/5 (upside from Current Market Price).

We are happy to report that your Company has been Awarded by FICCI for ***"Commendable Work for changing Public Perception"***, title of ***"70 most Trusted Power Brands 2017-18"*** and has also found a place in elite list of the ***"25 Greatest Value Creators"*** of Fortune India Next 500 Universe.

Mr. Rahul Dhanuka, Director (Marketing), was honoured by ***SPJIMR Alumni Awards, 2017*** in the '***Best Company of the Year***' category.

Your Company has successfully completed the assessment conducted by the ***"Great Place to Work Institute"***, India and is certified as a ***Great Workplace.*** This Certificate is valid from May, 2018 to April, 2019.

Company has permanently closed its manufacturing activities at its plant situated at Daulatabad Road, Gurugram-122 001, Haryana,

w.e.f. 9th January, 2018, and has completed all the necessary formalities in accordance with the provisions of Section 25FFA read with Section 25F of the Industrial Disputes Act, 1947. Consequently, the entire workforce affected by this closure has been paid appropriate compensation payable as per Industrial Disputes Act, 1947 along with all other statutory dues.

The entire manufacturing operations of Gurugram unit has been shifted to Keshwana (Rajasthan) unit with no adverse effect on the Company's overall operations.

4 Dividend

Pursuant to Board resolution dated 14th February, 2018, your Directors have paid Interim Dividend @100% i.e. Rs. 2/- per Equity Share for each Equity Share having a Face Value of Rs. 2/- each for the FY 2017-18. The total outgo on this account was Rs. 11.81 Crore (approx.) inclusive of Corporate Dividend Tax of Rs. 1.99 Crores.

Your Directors are pleased to recommend Final Dividend @ 175% i.e. Rs. 3.50/- per Equity Share for each Equity Share having a Face Value of Rs. 2/- each for the FY 2017-18. Final Dividend, if approved by the Members at ensuing AGM, will absorb Rs. 20.68 Crore (approx.) inclusive Corporate Dividend Tax Rs. 3.50 Crores. The Final Dividend shall be paid within 30 days of its declaration at 33rd AGM.

This will result in total Dividend (Interim and Final) of 275% i.e Rs. 5.50/- per Equity Share for each Equity Share having a face value of Rs. 2/- each for the FY 2017-18.

5 Dividend Distribution Policy

Securities and Exchange Board of India ('SEBI'), vide its notification dated 8th July, 2016, has amended the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), introducing new Regulation 43A mandating the top 500 listed entities, based on market Capitalization calculated as on 31st March of every Financial Year, to formulate a Dividend Distribution Policy and disclose the same in their Annual Reports and on their websites (www.dhanuka.com). Accordingly, the Board of the Company has adopted a Dividend Distribution Policy, which is available on the website of the Company i.e www.dhanuka.com under "Investors" Section.

6 Transfer of Unpaid Unclaimed Dividend and Shares to IEPF

During the FY 2017-18, unclaimed dividend for FY 2009-10 amounting to Rs. 4,39,859/- (Rupees Four Lacs Thirty Nine Thousand Eight Hundred and Fifty Nine only) was transferred to the Investor Education and Protection Fund (IEPF), pursuant to the provisions of Section 124(5) of the Companies Act, 2013 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended from time to time).

Pursuant to the provisions of Section 124(6) of the Companies Act, 2013 and the rules mentioned aforesaid, all shares in respect of which dividend has not been paid or claimed for 7 (Seven) consecutive years or more were also transferred in the name of IEPF after requisite notice to concerned Shareholders. Details of such transferred shares are available at the Company's website i.e www.dhanuka.com under "Investors" section and such shares can be claimed back from IEPF authority after following the prescribed procedure.

7 Subsidiary Company

At present your Company has only one subsidiary namely, M/s. Dhanuka Agri-Solutions Private Limited, incorporated in Bangladesh which is Company's Wholly Owned Subsidiary. Operations of this subsidiary have not yet started. A Statement containing basic financial detail of the Subsidiary in Form AOC-1 is attached with Directors' Report.

Pursuant to the provisions of Section 136 of the Companies Act, 2013, the Company's Financial Statements, Consolidated Financial Statements, along with relevant documents and separate Audited Accounts in respect of the Subsidiary are available on the website of the Company i.e www.dhanuka.com under "Investors" Section.

The Company does not have any Material Subsidiary in terms of the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Hence, Policy on Material Subsidiaries has not been formulated. There are no Associate Companies within the meaning of Section 2(6) of the Companies Act, 2013.

8 Transfer to General Reserve

This year no amount has been transferred to General Reserve.

9 Deposits from Public

During the year under report, your Company has not accepted any Deposit from Public.

10 Future Prospects

Our Corporate Vision "Transforming India through Agriculture" leads us in the list of responsive, trustworthy and farmers' friendly organization. We are advocating **'Dhanuka Kheti Ki Nai Takneek (DKKNT)',** a holistic approach of Integrated Crop Management for higher yields and in turn higher farmers' income. DKKNT is focused on complete end to end farming solutions which include soil testing, rain water harvesting, use of hybrid seeds and seed treatment, judicious use of agrochemicals, environment safety, etc. which help in boosting the production and raising the farmers' income.

Dhanuka keeps adding new products every year through its collaborations and has been continuously on the lookout to bring the latest technology to Indian Farmers. We are committed towards increasing farmers' income and their empowerment by our specified and revolutionary product chain. By the judicious use of these products, farmer's yield has improve from 15% to 45% in various crops depending upon suitable climate and other parameters.

The Company expects that our new technologically advanced, high-efficacy products will contribute to robust growth of Indian agriculture and farmer's profitability. Dhanuka has always focused on providing value for money, high quality products to Indian farmers. For this, we work very closely with farmers, even in the most interior and remotest parts of India.

It is expected that Financial Year 2018-19 should remain a good year for farmers, Agri input Companies, Indian Agriculture and the Indian Economy with IMD and Skymet forecasting a normal monsoon for year 2018.

11 Measures for Conservation of Energy, Technology Absorption and Details of Foreign Exchange Earnings and Outgo

Information as required u/s 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 pertaining to measures for Conservation of Energy, Technology Absorption and Details of Foreign Exchange Earning and Outgo forming part of this Report are given in **Annexure 'A'**.

12 Web address for Annual Return

The Annual Return of the Company pursuant to Section 92(3) of the Companies Act, 2013 is available on the website of the Company i.e www.dhanuka.com under "Investors" Section.

13 Business Responsibility Reporting

Business Responsibility Report as stipulated under Regulation 34 of the Listing Regulations is available at the website of the Company i.e www.dhanuka.com under "Investors" Section. Any Member interested in obtaining a physical copy of the same may write to the Company Secretary at the Registered Office address of the Company.

14 Meetings of the Board

Four Meetings of the Board of Directors were held during the FY 2017-18. Detailed information about Meetings of the Board of Directors and its Committees is given in the Corporate Governance Report annexed to this Report. The Company is in compliance with the Secretarial Standards prescribed by Institute of Company Secretaries of India for Board and Committee Meetings.

15 Directors

- Based upon recommendation of the Nomination and Remuneration Committee, the Board of Directors has appointed Mr. Sanjay Saxena as an Additional Director (Non-Executive and Independent category), w.e.f. 22nd May, 2018, in accordance with provisions of the Companies Act, 2013 and Rules framed thereunder. He shall hold office up to the date of ensuing Annual General Meeting. His appointment as Independent Director for a term of 5 (Five) year is recommended for the Members' approval at ensuing AGM.

- As the tenure of Mr. Arun Kumar Dhanuka as a Whole time Director of the Company will be over on 31st July, 2018 and being eligible, he has offered himself for re-appointment as a Whole time Director of the Company. Your Board has approved and recommended his re-appointment for a further period of 5 (Five) years w.e.f. 1st August, 2018, based on the recommendation of the Nomination and Remuneration Committee.

- Section 149(10) of the Companies Act, 2013 provides that an Independent Director shall hold office for a term of up to 5 (Five) consecutive years on the Board and shall be eligible for re-appointment for Second Term of 5 (Five) consecutive years on passing a Special Resolution by the Company and disclosure of such appointment in its Boards' Report. Section 149(11) provides that an Independent Director may hold office for up to 2 (Two) consecutive terms. As the tenure of Mr. Priya Brat, Mr. Vinod Kumar Jain, Mr. Indresh Narain, Mrs. Asha Mundra and Mr. Om Prakash Khetan, Independent Directors will be over on 19th May, 2019, the Board has recommended their re-appointment for Second Term of 5 (Five) years. All proposed Independent Directors are very well qualified and are possessing very rich Industry experience in different fields. Besides, they are having in-depth knowledge of working of the Company as they are associated since very long time as Independent Directors.

  In terms of Regulation 17 (1A) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2015, no listed entity shall appoint or continue a person as a Non-Executive Director with effect from 1st April, 2019, who has attained the age of 75 years unless a Special Resolution is passed in this regard. As term of Mr. Priya Brat, aged 82 years and Mr. O.P. Khetan aged 84 years is expiring on 19th May, 2019, their re-appointment for Second Term of 5 (Five) years is recommended to Members. Both are very energetic, enthusiastic and actively engaged in providing their guidance from time to time, so as to run the operations of the Company in better and successful manner.

- In accordance with the provisions of the Companies Act, 2013, Mr. Mahendra Kumar Dhanuka, Managing Director and Mr. Ashish Saraf, Executive Director will be liable to retire by rotation at the ensuing AGM and being eligible, have offered themselves for re-appointment.

- The Shareholders of the Company approved the re-appointment of Mr. Ram Gopal Agarwal, Whole time Director under the designation of Chairman of the Company at the 32nd Annual General Meeting held on 10th August, 2017, for a period of 5 (Five) years from 1st November, 2017 to 31st October, 2022 (both days inclusive) and has also approved the appointment of Mr. Ashish Saraf as Whole time Director for a period of 5 (Five) years from 24th March, 2017 to 23rd March, 2022.

- Mr. Balvinder Singh Kalsi, Independent Director resigned from the Directorship of the Company w.e.f. 15th February, 2018. Consequently, he has ceased to be a Member of Stakeholders' Relationship Committee of the Company from 15th February, 2018.

16 Key Managerial Personnel

Mr. Kapil Garg has resigned from the position of Company Secretary and Key Managerial Personnel of the Company w.e.f. 21st August, 2017. In his place, Ms. Jyoti Verma has been appointed as Company Secretary and Key Managerial Personnel of the Company w.e.f. 13th November, 2017 based upon the recommendation of the Nomination and Remuneration Committee of the Board. Ms. Jyoti Verma is Fellow Members of Institute of Company Secretaries of India (ICSI) and is possessing more than 13 years of experience of Secretarial matters. She is acting as Company Secretary cum Compliance officer of the Company.

17 Familarisation Programme

Details of familiarisation programme for Independent Directors are available on the Company's website (web link: http://www.dhanuka.com/wp-content/uploads/2015/07/Familiarization-Programmes-for-Independent-Directors.pdf).

18 Directors' Responsibility Statement

Pursuant to the provisions of Section 134(3)(c) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- In the preparation of the Standalone and Consolidated Annual Accounts, the applicable Accounting Standards have been followed along with proper explanations relating to material departures.
- The Directors have selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of Financial Year and of the Profit of the Company for that period.
- The Directors have taken proper and sufficient care for the maintenance of adequate Accounting Records in accordance with the provisions of this Act for safeguarding the Assets of the Company and for preventing and detecting frauds and other irregularities.
- The Directors have prepared the Standalone and Consolidated Annual Accounts on going- concern basis.
- The Directors have laid down Internal Financial Controls to be followed by the Company and such Internal Financial Controls are adequate and operating effectively.
- The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

19 Corporate Governance

Your Company maintains highest level of transparency, accountability and good management practices through the adoption and monitoring of corporate strategies, goals and procedures to comply with its legal and ethical responsibilities.

The Board has also evolved and adopted a Code of Conduct based on the principles of good Corporate Governance and best management practices. The Code is available on the Company's website i.e. www.dhanuka.com under "Investors" Section.

As required by SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, a separate Report on Corporate Governance along with Statutory Auditors' Certificate confirming compliance with Corporate Governance norms is annexed to this.

20 Management Discussion & Analysis

The Management Discussion and Analysis is given separately and forms part of the 33rd Annual Report.

21 Corporate Social Responsibility (CSR)

Your Company recognizes the importance of water for human life and also for plant's life. We are continuously educating our farmers about 'Rain Water Harvesting' and 'Save Water' campaign. In this connection, your Company has constructed 4 Check – Dams in Rajasthan for the benefit of 20,000 rural population. The Annual Report on our CSR activities pursuant to Rule 8 of Companies the (Corporate Social Responsibility Policy) Rules, 2014 is given in **Annexure 'B'** forming part of this Report.

22 Internal Complaints Committee (ICC)

Your Company has zero tolerance for sexual harassment of Women at workplace. In accordance with provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Rules made thereunder, your Company has constituted an Internal Complaints Committee (ICC), to inquire into the complaints of sexual harassment and to recommend appropriate action. The ICC constitution has been revised w.ef 1st April, 2018. The ICC comprises Ms. Jyoti Verma (Presiding officer), Mr. A. K. Chaturvedi (Member), Ms. Puja Gogia (Member) and Ms. Ekta Rai (Member). Company has also formulated a policy on Prevention, Prohibition & Redressal of sexual harassment of Women at workplace. The Company's Policy under this Act is available on the Corporate Website i.e. www.dhanuka.com under "Investors" Section. ICC provides a mechanism for reporting and redressing complaints related to sexual harassment of Women at workplace. The Committee has not received any complaint of sexual harassment during the FY 2017-18 nor has any complaint been received in previous years.

23 Committees of Board

The details of Committees of the Board are provided in the Corporate Governance Report forming part of this Report.

24 Whistle Blower Policy

In compliance with the Listing Regulations, Whistle Blower Policy has been implemented as a mechanism for employees to report concerns about unethical behavior or actual or suspected fraud of all kinds, including alleged fraud by or against the Company, abuse of authority, whether made by a named complainant or anonymously. The Policy is a step towards better Corporate Governance and is available on the Company's website i.e www.dhanuka.com under "Investors" Section. No complaint under this head has been received by the Company during the year.

25 Material Changes and Commitments affecting the Company's Financial Position between the end of the Financial Year and Date of Report u/s 134 of the Companies Act, 2013

Except as disclosed in the Report, there have been no material changes and commitments, affecting the financial position of the Company between the end of the Financial Year till the date of this Report.

26 Declaration by Independent Directors

The Non-Executive Independent Directors of the Company, namely Mr. Priya Brat, Mr. Om Prakash Khetan, Mr. Indresh Narain, Ms. Asha Mundra, Mr. Sachin Kumar Bhartiya, Mr. Vinod Kumar Jain and Mr. Sanjay Saxena have given declaration stating that they continue to confirm the criteria set out for Independent Directors under Section 149(6) of the Companies Act, 2013 and Listing Regulations.

27 Performance Evaluation

In compliance with the requirement of Section 134(3)(p) and Schedule IV of the Companies Act, 2013 and Rules framed thereunder and Regulation 17(10) of Listing Regulations, the Board of Directors of the Company evaluated and assessed the performance of the Company's Chairman, Individual Directors, Board as a whole and its Committees on the basis of parameters set by the Nomination and Remuneration Committee in the form of questionnaire based on

emerging and leading practices and performance criteria such as strategic engagement, knowledge, diligence, ethics & values, oversight of the Financial Reporting Process, including Internal Controls and Composition of the Board and its Committees etc. The Nomination and Remuneration Committee has also carried out evaluation of the performance of all the Directors. Independent Directors of your Company has also conducted in-depth evaluation of performance of Executive Directors, Chairman of the Board and Committee(s) of the Board.

28 Policy on Appointment and Remuneration of the Directors, Key Managerial Personnel and Other Employees

In accordance with Listing Regulations and Section 178(3) of the Companies Act, 2013, your Company's Policy relating to the appointment and remuneration of the Directors, Key Managerial Personnel and Senior Management is given in the Corporate Governance Report forming part of this Report.

29 Particulars of Loans, Guarantees or Investments

The particulars of loans, guarantees and investments of the Company have been provided in the Notes to the Financial Statements.

30 Particulars of Contracts or Arrangements with Related Parties

Particulars of contracts or arrangements with Related Parties pursuant to Section 134(3)(h) of the Companies Act, 2013 read with rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC-2 are given in **Annexure 'C'** forming part of this Report. Notes to Accounts cover information on Related Party Transactions entered into by the Company.

All the contracts / arrangements entered with Related Parties in terms of Section 188(2) of the Companies Act, 2013 were in the ordinary course of business and on arm's length basis. During the year under review the Company has not entered into any transactions with Related Parties which could be considered material in terms of the Company's policy on materiality of Related Party Transactions read with SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

The Policy on Related Party Transactions has been approved by the Board of Directors and is available on the Corporate website (web link: http://www.dhanuka.com/wp-content/uploads/2015/05/Policy-on-Related-Party-Transactions.pdf).

31 Risk Management Policy and Internal Adequacy

Your Company considers on-going risk management is a core function of Company's Management and recognizes the fact that the Company's ability to pro-actively identify, assess and minimize risk is critical in achieving its corporate objectives. The Board of Directors of the Company has approved a Risk Identification, Assessment and Mitigation Report to ensure appropriate and timely Risk Management, in compliance with the provisions of the Companies Act, 2013 and Listing Regulations.

32 Internal Control Systems and their adequacy

The Company has Internal Control System commensurate with the size, scale and complexity of its operations. The Company has appointed M/s. Manoj Ritu & Associates, Chartered Accountants as Internal Auditors and along with that there is in house Internal Audit team as well. The Audit Committee defines the scope and area of Internal Audit and periodically reviews the Internal Audit Plans and Internal Audit Reports. Based upon Internal Audit Reports and observations, appropriate corrective actions are suggested by the Audit Committee. During the year, Internal Audit was regularly carried out and no material weakness was observed. There are adequate Internal Financial controls with reference to the Financial Systems. The same are periodically reviewed by the in-house Internal Auditor and Statutory Auditors and by the Management, Board and Committees thereof.

33 Statutory Auditors and Audit Report

The present Statutory Auditors of the Company, M/s. Ambani & Associates LLP, Chartered Accountants, have resigned as Statutory Auditors of the Company w.e.f 23rd May, 2018.

The Board of Directors in their Meeting held on 22nd May, 2018 have appointed M/s. S.S. Kothari Mehta & Co., Chartered Accountants, having Registered Office at Plot No. 68, Okhla Industrial Area, Phase-III, New Delhi-110 020, as Statutory Auditors to fill the casual vacancy, who shall hold office upto the conclusion of ensuing Annual General Meeting of the Company. M/s. S.S Kothari Mehta & Co., have submitted a Certificate of their eligibility under Section 139 of the Companies Act, 2013 and have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Chartered Accountants of India (ICAI).

In the same Meeting M/s. S.S. Kothari Mehta & Co., Chartered Accountants have been appointed as Statutory Auditors of the Company for a period of 5 (Five) years and they shall hold office from the conclusion of the 33rd Annual General Meeting till the conclusion of the 38th Annual General Meeting of the Company. Their appointment is recommended for approval of the Members at the ensuing AGM.

Audit Report:

M/s Ambani & Associates LLP, Chartered Accountants have conducted the Statutory Audit of the Company for the Financial Year 2017-18 and have submitted their Report to the Board of Directors in its Meeting held on 22nd May, 2018. The Report is self-explanatory and does not contain any adverse remark or comment. Hence, no comment or explanation is needed from the Board of Directors.

34 Secretarial Auditors

The Board of Directors, in compliance with the provisions of Section 204 of the Companies Act, 2013 and Rules framed thereunder, have appointed M/s. R & D, Company Secretaries, having their Registered Office at 785, Pocket E, Mayur Vihar Phase-II, New Delhi-110 091, as Secretarial Auditors of the Company for the Financial Year 2018-19. The Secretarial Audit Report for the Financial Year 2017-18 does not contain any qualification, reservation or adverse remark and is attached as **Annexure 'D'** to this Report.

35 Cost Auditors

The Board of Directors, in compliance with the provisions of the Companies Act, 2013, Rules and Notifications issued thereunder, have appointed M/s. S. Chander & Associates, Cost Accountants, having their Registered Office at 212, 2nd Floor, Sarai Pipal Thala, G.T. Karnal Road, Adarsh Nagar, Delhi – 110 033, as Cost Auditors to conduct Audit of the Cost Accounts maintained by the Company for the Financial Year 2018-19.

36 Status of Listing Fees

Your Company has been regularly paying listing fees to the BSE & NSE, Mumbai where its Equity Shares are listed.

37 Material Orders passed by Regulators, Courts or Tribunal

There were no significant or material orders passed by the Regulators, Courts or Tribunal which impact the going concern status of the Company and the Company's operations in future.

38 Particulars of Employees

The statement of Disclosure of Remuneration under Section 197 of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ("Rules"), is appended as **Annexure 'E'** to this Report. The information as per Rule 5(2) of the Rules, forms part of this Report. However, as per first proviso to Section 136(1) of the Companies Act, 2013 and second proviso of Rule 5(2) of the Rules, the Report and Financial Statements are being sent to the Members of the Company excluding the statement of particulars of employees under Rule 5(2) of the Rules. Any Member interested in obtaining a copy of the said statement may write to the Company Secretary at the Registered Office of the Company.

39 Acknowledgement

Your Directors take this opportunity to record their deep sense of gratitude for the valuable support and co-operation extended to the Company by the Central Insecticides Board, Directorates of Agriculture, Haryana, Gujarat, J&K, Rajasthan, other Government Agencies, Bankers, Shareholders, Dealers, Distributors, Vendors, U.S. & Japanese MNCs and the farming community who have reposed their trust and confidence in the Company.

Your Directors wish to place on record their appreciation for the cordial industrial relations maintained by workmen and dedicated efforts put in by staff, towards Company's continuous growth and success.

For and on behalf of the Board of Directors

Sd/-	**Sd/-**
M.K. DHANUKA	**RAHUL DHANUKA**
(Managing Director)	**(Executive Director)**
DIN : 00628039	**DIN : 00150140**

Place : Gurugram
Date : 22nd May, 2018

Annexure 'A' to Directors' Report

(A) Conservation of Energy

1. Automation on collection underground water tank and overhead water tank. The pump will run when high level achieves and stops when low level achieves.
2. Switching off the lights whenever any person leaves his place, even for short duration.
3. Running intermittently the Post Blenders in Powder section to conserve energy. Instead of working continuously for 120-140 minutes, we stop the post blender for 60-70 minutes after running it for 60-70 miutes.
4. In the process of replacing halogen 150W tube to CFL 100W to save electricity.
5. STP refined water is being used for gardening.
6. Have formed Save Water & Save Electricity Committee and Members of the Committee are dedicated to the objectives of the Committee to save water & electricity on day to day basis.

(B) Technology absorption-

(i) The efforts made towards technology absorption:

Trail run and successful commissioning of the following new products done at Udhampur Unit:-

Godiwa, Godiwa Super, Marker Super, Conika, Spectrum, Foster

1. Installed semi-automatic packing machines for Dhanzyme Plant & other repacking powder products to increase productivity, improve, accuracy and reduce manpower.
2. Semi-Automated Storage and Retrieval system (ASRS) for spray-able solution in Dhanzyme & Dhanzyme Gold.
3. Developed & Installed external device to in FFS machines for indicating failure of sealing temperature heaters.

(ii) In case of imported technology (imported during the last three years reckoned from the beginning of the Financial Year):

The Company has not imported any technology during the last three Financial Years.

Details of Technology Imported	Year of Import	Status absorption/ implementation	Reason, if not fully absorbed
NIL	NA	NA	NA

Company's strategic collaborations with MNCs have resulted in technology transfer and adoption of scientifically advanced, high-efficacy plant-protection chemicals by the Indian farmers, resulting in increased crop yields and farm incomes. This goes a long way towards ensuring food security for the nation.

Company's Gurugram Laboratory is NABL - accredited. Also, Company's R&D centre is recognized by the Department of Science & Technology, Ministry of Chemicals, Govt. of India.

The Company's Sanand unit has received certification of ISO 9001:2015 for Quality Management and ISO 14001:2015) for Environmental Management and OHSAS 18001:2007 for health, safety and wellness of employees.

The Company's Keshwana and Udhampur Unit received re-certification for ISO 9001:2015 for Quality Management and ISO 14001:2015 for Environmental Management. The OHSAS 18001:2007 certification Awarded to the Company's Keshwana and Udhampur unit demonstrates the Company's commitment to its employees, employees' families and other stakeholders regarding the health, safety and wellness of each person that may be exposed to the health and safety risks associated with the activities and operations of the Company. Further, it helps reduce accidents, disruptions and their associated costs, thereby increasing productivity.

(C) Research & Development

From the very inception of your Company, it was visualized to establish a strong Research and Development (R&D) Division to provide a quality products and services. This Division therefore, forms our core strength for expanding Brand portfolio as an on-going process for introduction of new eco-friendly world class molecules.

This Division as on – going activity generates data on different parameters for registration of molecules and for expansion of existing label claims on suitable crops, and appropriate proposals as per guidelines are submitted for approval of the Central Insecticide Board & Registration Committee (CIB & RC), Govt. of India. It also facilitates registration of pesticides for exports.

In order to fulfill this mandate, the Division is actively engaged in evaluating new and current products in different agro- climatic regions of the country, plays a crucial role in product promotion and creating awareness about new products amongst different stakeholders, channelizes information to consumers for safe and judicious use, develops interface with State Agricultural Universities (SAU) / Indian Council of Agricultural Research (ICAR) and its Institutes, and other such academic organizations, imparts training to Development and Marketing staff, Agri-input Dealers and Farmers, etc..

Introduction of New Products

One of the important on-going activities of the R&D Division is of expansion of existing label claims, packaging endorsements, bio-efficacy claims, and registration of products under Section 9(4) of the Insecticides Act, etc.

During 2017-18, your Company has obtained approval of the Central Insecticide Board & Registration Committee (CIB & RC), Govt. of India for 12 (Twelve) products under Section 9(4) of the Insecticide Act, namely Azoxystrobin 11% + Tebuconazole 18.3% w/w SC for control of Fruit rot, Powdery mildew, Dieback in Chilli; Azoxystrobin 18.2% w/w + Difenoconazole 11.4% w/w SC for control of Rust & Powdery mildew in wheat, Early blight and Late blight in tomato, Blast & Sheath blight in paddy, Blight & Downy mildew in maize, Anthracnose and Powdery mildew in chilli; Fipronil 4% + Acetamiprid 4% SC for control of Aphids, Jassid and Whiteflies in cotton; Acephate 95% SG w/w for control of Stem borer, Leaf folder, Brown plant hoppers in paddy; Imazethapyr 70% WG for control of *Cyperus rotundus, Echinochloa spp., Dinebra Arabica, Digitaria* spp., *Brachiaria mutica, Commelina benghalensis, Commelina communis, Euphorbia geneculata, Cyanotis axiallaris* weeds in soybean; Tebuconazole 5.4% w/w FS for control of Loose smut and Flag smut in wheat; Tebuconazole 5.36% w/w FS for control of Loose smut in wheat; Metribuzin 42% + Clodinafop propagyl 12% WG for control of *Phalaris minor* (Canary grass). *Avena* spp. (Wild oat), *Chenopodium album* (Fat hen), *Melilotus* sp. (Sweet clover), *Medicago denticulate* (Toothed medic), *Rumex* spp. (wild spinach), *Anagallis arvensis* (Blue Pimperne), *Anagallis arvensis* (Blue Pimperne) weeds in wheat; Clodinafop propagyl 9% + Metribuzin 20% WP for control of

weeds-*Phalaris minor*, *Medicago* spp., *Melilotus* spp., *Chenopodium album, Cronopus didymus, Vicia sativa, Rumex* spp., *Dinebra retroflexa* in wheat; Propiconazole 10.7% + Tricyclazole 34.2% SE for control of Sheath blight, Blast in paddy; Buprofezin 70% DF for control of Jassid in okra; and Thiamethoxam 12.6% + Lambda Cyhalothrin 9.5% ZC for control of Aphids, Jassid, Thrips & Bollworms in cotton, control of Thrips, Semilooper, Tea mosquito bug in tea, for control of Thrips, Whiteflies, Fruit borer in tomato, for control of Aphid, Shoofly, Stem borer in maize, for control of Thrips & Fruit borer in chilli, for control of Leaf hopper, Leaf eating caterpillars in groundnut, and for control of Stem fly, Semilooper, Girdle beetle in soybean. During the year, the CIB & RC also granted approval under Section 9 (3) of the Act for another important product namely Carbendazim 25% + Flusilazole 12.5% SE (Label Expansion on Chilli) for control of Powdery mildew (*Leveillula taurica*), Fruit rot (*Alternaria solani*) and Die back (*Colletotrichum capsici*).

The registration process being an on-going activity, the proposals are in the pipeline for 2 (Two) new fungicides from Japan and three different offerings. Similarly, data generation is in progress for Herbicides for control of weeds in Onion, Sugarcane, Maize, Cotton and Tea. Further, work is in the pipeline on Insecticides for control of thrips, mite, whitefly, aphids and fruit borer insect pest of Chilli; control of jassid, thrips, aphids and whitefly insect pest of Cotton; and Fungicide for control of early blight, powdery mildew and bacterial leaf spot diseases of Tomato.

International collaborations

Company continues to have technical collaborations with MNC **like M/s. Dow Agro Sciences, M/s. Dupont, M/s. FMC Corporation and M/s Oro Agri of USA, M/s Arysta Life Sciences, M/s Sumitomo Corporation, M/s. Hokko Chemical Co. Limited, M/S Mitsui Chemicals, Inc., M/s. Nissan Chemical Industries Ltd. and M/s. OAT Agrio Co., Ltd. of Japan.** This way Dhanuka Agritech Limited has introduced a good number of eco-friendly, highly effective pesticides immensely benefiting the farming community across the Country to enhance on-farm crop productivity and in turn increased income.

Capacity building of Agri-Input Dealers

As per study of the National Sample Survey Office (NSSO) of the Govt. of India, Agri-input Dealers continue to be major source of Agriculture technology to the farmers because of their easy reach and local availability. Recognizing this, Your Company had been in the forefront for up- gradation of farm skills of agri- input dealers so as to make them credible source of Agriculture technology. We were the first to join hands with the National Institute of Agricultural Extension Management (MANAGE), Hyderabad under public-private partnership and provided 50% of fee for a batch of 40 Dealers to undergo Diploma in Agriculture Extension Services for Input Dealers (DAESI). We are constantly following with ICAR; Ministry of Agriculture, Govt. of India for other State Universities to start such a course.

On Your Company's initiative under public-private partnership (PPP) three State Agricultural Universities (SAU) in Gujarat- Anand Agricultural University, Navsari Agricultural University, and Junagadh Agricultural University, launched one-year Diploma on the pattern of one by MANAGE , as an out-reach programme, by meeting 50% of fee (Rs 10,000 (i.e Rupees Ten Thousand Only) per trainee. The course has become so popular that at these three SAUs Agri-input Dealers are now enrolling by paying full fee.

Recently, the Govt. of India- Ministry of Agriculture and Farmers' Welfare, vide Gazette Notification GSR 840 (E) dated 5th November 2015 issued a notification that any individual who wants to run a insecticide / pesticide shop should possess a degree (B. Sc Agri / Biochemistry / Biotechnology / Life Sciences / Chemistry / Botany / Zoology). In case of existing dealers the condition is either to acquire Degree in the listed streams or hire an employee having such a Degree in mentioned streams. There was also a provision of 2 (Two) years to acquire a Degree by the Dealer himself. We are happy to mention that on our persistent follow-up with all the Stakeholders, the Govt. of India have issued an addendum to Gazette recently by including one-year out-reach Diploma (DAESI) as well as an alternative qualification.

Field extension programmes

Our PPPs with Swami Keshwanand Rajasthan Agricultural University, Bikaner for a Diploma in Agri-Business Management, and Public-private partnership with Bihar Litchi Growers Association continued during this year as well. The R&D team put up field exhibitions, undertook training of field personnel; interactive meetings with agri-input dealers for creating mass awareness of our new products, farmers' training camps, training of Krishi Mitra, etc.. The R&D Division published several technical publications in an easy to comprehend style, which are a handy source of information for all concerned to provide credible information.

The expenditure (Rs. 180.13 in Lac) incurred on R&D during Financial Year 2017-18 and in the preceding year is as below:

(Rs. in Lacs)

Particulars	2017-18	2016-17
a. Capital	Nil	Nil
b. Recurring	180.13	207.62
c. Total	180.13	207.62
d. Total R&D expenditure as % of total turnover	0.18%	0.21%

Our Vision

The pesticides research across the world is coming with newer economically viable and environment friendly molecules and safer use technology. Your Company's R&D Division continuously looks forward to explore newer opportunities for collaboration and undertaking studies for label expansion on new crops/ insects, pests and diseases and also for registration of new molecules.

For and on behalf of the Board of Directors

Sd/-
M.K.Dhanuka
Managing Director
DIN: 00628039

Sd/-
Rahul Dhanuka
Executive Director
DIN: 00150140

Place : Gurugram
Dated : 22nd May, 2018

Annexure 'B' to Directors' Report

Annual Report on CSR Activities

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.**

   The CSR Policy recommended by the CSR Committee has been approved by the Board of Directors and is available on the Corporate Website (web link: http://www.dhanuka.com/wp-content/uploads/2013/04/CSR-Policy-DAL-v1.pdf).

   Your Company lays special emphasis on promoting education, eradicating hunger, poverty and mal-nutrition, conservation of water, deployment of water for agriculture and human use.

   The thrust is on training and education of farmers and dealers in it's endeavour to transform India through Agriculture. The Company's CSR efforts have been to conserve **"Gaon ka paani, gaon mein aur khet ka pani, khet mein"** and will continue to work in this direction.

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

   Your Company has constituted CSR Committee, in accordance with the CSR provisions Under Section 135 and Schedule VII of the Companies Act, 2013 and the Rules made thereunder. The CSR Committee comprises Mr. Ram Gopal Agarwal (Chairman), Mr. Indresh Narain and Mr. Arun Kumar Dhanuka (Members). The Corporate Governance Report covers more information on the CSR Committee.

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

   Rs. 14638.33 Lacs, as per applicable Section 198 of the Companies Act, 2013.

4. **Prescribed CSR Expenditure (two per cent of the amount as in item 3 above):** Rs. 292.77 Lacs.

5. **Details of CSR spent during the Financial Year:**

   a. Total amount spent for the Financial Year: Rs. 294.20 Lacs.

   b. Amount unspent: Nil

   c. Manner in which the amount spent during the Financial Year is detailed below.

(Rs. in Lacs)

S. No.	CSR project or activity identified/beneficiary	Sector in which the project is covered	Location of the Projects/ programs	Amount outlay (budget)	Amount spent on the projects or programs Subheads: (1) Direct expenditure (2) Overheads	Cumulative expenditure upto the reporting period.	Amount spent: Direct/ Implementing Agency
1	Donation for disabled children education	Promotion of education	New Delhi	0.51	0.51	0.51	Orkids Foundation
2	Sponsorship of Mid Day Meals to Childrens	Eradicating Hunger	Mathura, Uttar Pradesh	35.00	35.00	35.00	The Akshaya Patra Foundation
3	Donation for Intellectual Disabilities	Livelihood Enhancement Projects	Bangalore, Karnataka	1.00	1.00	1.00	AMBA
4	Purchase of Medical Equipement	Preventive Healthcare	New Delhi	2.00	2.00	2.00	Arya Samaj
5	Donation for Children education	Promotion of education	New Delhi	20.00	20.00	20.00	Bharat Lok Shiksha Parishad
6	Construction of School building	Promotion of education	Ratangarh, Rajasthan	150.00	150.00	150.00	Chiranji Lal Dhanuka Charitable Trust
7	Donation for Children education	Promotion of education	New Delhi	0.15	0.15	0.15	CRY
8	Fellowship for Students	Promotion of education	Jaipur, Rajasthan	1.30	1.30	1.30	Sri Karan Narendra Agriculture University, Jobner
9	Fellowship for Students	Promotion of education	Ludhiana, Punjab	1.20	1.20	1.20	Punjab Agricultural University
10	Fellowship for Students	Promotion of education	Pant Nagar, Uttarakhand	2.40	2.40	2.40	Govind Ballabh Pant University of Agriculture & Technology

11	Financial help for students	Promotion of education	Junagarh, Gujarat	0.24	0.24	0.24	Junagadh Agricultural University
12	Financial help for purchase of Folding Sticks for Poor Blind People & Widows	Preventive Healthcare	Mumbai, Maharashtra	0.05	0.05	0.05	Manav Vikas Uplift Foundation
13	Donation for Cancer Patient Medicine Project	Preventive Healthcare	New Delhi	12.44	12.44	12.44	Shri Ram Krishan Sewa Sansthan
14	Donation for Construction of Pathology Laboratory & ICU in Hospital	Preventive Healthcare	Saharanpur, Uttar Pradesh	13.00	13.00	13.00	Shri Ram Krishna Cancer Hospital
15	Donation for eye operation	Preventive Healthcare	New Delhi	6.25	6.25	6.25	Sant Parmanand Hospital
16	Donation for Children education	Promotion of education	New Delhi	0.51	0.51	0.51	INA Raja Memorial Education Trust
17	Donation for Cancer patients treatment	Preventive Healthcare	Faridabad, Haryana	1.80	1.80	1.80	Win Over Cancer
18	Donation for Farmers training from All India Panchayat Parishad	Promotion of education	New Delhi	3.00	3.00	3.00	Struggle for Justice
19	Donation for Education & Healthcare projects	Preventive Healthcare	New Delhi	25.00	25.00	25.00	Nav Bharat Sewa Samiti
20	Donation for Children remedial education	Promotion of education	Gurugram, Haryana	5.00	5.00	5.00	Khushii
21	Donation for water cooler & meals for Multiple Challenged Orphan Boys	Eradicating Hunger	Gurugram, Haryana	1.00	1.00	1.00	The Missionary Brothers Of Charity "Deepashram"
22	Donation for Elders day	Facilities for Senior citizens	New Delhi	1.00	1.00	1.00	Age Care India
23	Donation to promote Disabled persons sports	Livelihood Enhancement Projects	Agra, Uttar Pradesh	0.15	0.15	0.15	Disabled Sporting Society
24	Donation for School Buildiing	Promotion of education	Burhanpur, Madhya Pradesh	7.20	7.20	7.20	Gayatri Parivar Rachnatmak Trust
25	Donation for Physically Impaired Child	Preventive Healthcare	New Delhi	1.00	1.00	1.00	Help Care Society
26	Financial support towards training & support for village troupe of rural students	Promotion of education	New Delhi	3.00	3.00	3.00	I Can Win Foundation
Total Direct Expense				**294.20**	**294.20**	**294.20**	
Overhead				-	-	-	
TOTAL				**294.20**	**294.20**	**294.20**	

6. In case the Company has failed to spend the two per cent, of the average Net Profit of the last three Financial Years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report.

Not applicable

7. A Responsibility Statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR Objectives and Policy of the Company.

We hereby state 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 of Directors

Sd/-
R.G. Agarwal
(Chairman CSR Committee)
DIN : 00627386

Sd/-
M.K. DHANUKA
(Managing Director)
DIN : 00628039

Annexure 'C' to Directors' Report

Form No. AOC-2

(Pursuant to *clause (h) of sub-section (3) of Section 134 of the Act 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 arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis:

During the year, the Company had not entered into any contract or arrangement or transaction with Related Parties which could be considered material in accordance with the Policy of the Company on materiality of Related Party Transactions.

2. Details of material contracts or arrangement or transactions at arm's length basis:

A. C&F Agreement with M/s. Dhanuka Marketing Company ("DMC").

(a) Name(s) of the Related Party and nature of relationship: M/s Dhanuka Marketing Company. Mr. R. G. Agarwal, Chairman and Mr. M. K. Dhanuka, Managing Director are brothers of Mr. S. N. Agarwal, partner of DMC.

(b) Nature of contracts / arrangements / transactions: It was proposed that DMC continue to act as C&F agent and care-taker of the Company's operations in the State of Andhra Pradesh and Telangana.

(c) Duration of the contracts / arrangements / transactions: For a period of 5 (Five) Financial Years from FY 2014-15 to FY 2018-19 i.e. ongoing.

(d) Salient terms of the contracts or arrangements or transactions including the value, if any: Payment of Commission through banking channel to DMC as a percentage of the Net Sales of Andhra Pradesh and Telangana, as approved by the Audit Committee and the Board of Directors.

(e) Justification for entering into such contracts or arrangements or transactions: DMC has been providing C&F Agent services to M/s Northern Minerals Limited (presently M/s. Dhanuka Agritech Limited) since 1980. DMC has strong network of dealers / distributors in the state of Andhra Pradesh and Telangana and in addition, provides various value added services to the Company.

(f) Date(s) of approval by the Board: 30th July, 2014.

(g) Amount paid as advances, if any: Nil.

(h) Date on which the Special Resolution was passed in General Meeting as required under first proviso to Section 188: 17th September, 2014.

B. Grant of Lease to use Company's Registered Office for the purpose of maintaining the Registered Office of certain Related Party Companies / firms.

(a) Name(s) of the Related Party and nature of relationship: M/s Golden Overseas Pvt. Ltd., M/s Exclusive Leasing and Finance Ltd., M/s Hindon Mercantile Ltd., M/s Dhanuka Laboratories Ltd., M/s Sikkim Agro Industries Ltd., M/s IKO Overseas, M/s Synmedic Laboratories, M/s MD Buildtech Pvt. Ltd., M/s HD Realtors Pvt. Ltd., M/s Otsuka Chemical (India) P.Ltd. and M/s Dhanuka Infotech Pvt. Ltd.

Mr. R.G. Agarwal, Chairman, Mr. M.K. Dhanuka, Managing Director, Mr. Arun Kumar Dhanuka, Mr. Rahul Dhanuka and Mr. Mridul Dhanuka, Executive Directors, hold either directly or indirectly, themselves or through their relatives, more than two percent of Shareholding of aforementioned Companies or are Director, Promoter, Partner, Member of aforementioned Companies / Firms.

(b) Nature of contracts / arrangements / transactions: Company has granted Lease to use its Registered Office for the purpose of maintaining Registered Office of these Companies / Firms.

(c) Duration of the contracts / arrangements / transactions: For a period of 15 (Fifteen) years w.e.f. 1st January, 2018 i.e. ongoing. Except M/s. Otsuka Chemical (India) Private Limited, M/s. Dhanuka Laboratories Ltd for a period of 15 years w.e.f. 20th October, 2015 and M/s. Iko Overseas and M/s. Synmedic Laboratories For a period of 15 (Fifteen) years w.e.f. 23rd October, 2015.

(d) Salient terms of the contracts or arrangements or transactions including the value, if any: Rent at Rs. 2,000/- p.m. from each of these Companies / Firms.

(e) Justification for entering into such contracts or arrangements or transactions: These Companies / Firms had given the address of Registered Office of M/s. Dhanuka Agritech Limited for their Incorporation / Registration purpose and the same is continuing till date. They are not using the premises for any other purpose.

(f) Date(s) of approval by the Board: 30th July, 2014.

(g) Amount paid as advances, if any: Nil.

(h) Date on which the Special Resolution was passed in General Meeting as required under first proviso to Section 188: 17th September, 2014.

Annexure 'D' to Directors' Report

Secretarial Audit Report

For the Financial Year ended 31st March, 2018

To

The Members

M/s. Dhanuka Agritech Limited

82, Abhinash Mansion

1st Floor, Joshi Road,

Karol Bagh, New Delhi-110 005

In terms of the provisions of Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014, and other applicable provisions, if any, we have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Dhanuka Agritech Limited, a Company incorporated under the provisions of the Companies Act, 1956, vide CIN: L24219DL1985PLC020126 and having its Registered Office at 82, Abhinash Mansion, 1st Floor, Joshi Road, Karol Bagh, New Delhi-110 005 (hereinafter referred to as 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the Secretarial Audit, we hereby report that in our opinion, the Company has, during the Audit period covering the Financial Year ended on 31st March, 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on 31st March, 2018, according to the provisions of:

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

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder:

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder:

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

   a. The SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b. The SEBI (Prohibition of Insider Trading) Regulations, 2015;

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

   d. The SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; Not applicable as the Company has not issued/ proposed to issue any Employee Stock Option Scheme and Employee Stock Purchase Scheme during the financial year under review.

   e. The SEBI (Issue and Listing of Debt Securities) Regulations, 2008;

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

   g. The SEBI (De-listing of Equity Shares) Regulations, 2009; Not applicable as the Company has not delisted/ proposed to delist its equity shares from any stock exchange during the financial year under review.

   h. The SEBI (Buy-back of Securities) Regulations, 1998;

vi. The Company has identified the following laws as specifically applicable to the Company.

   a. The Insecticide Act, 1968;

   b. The Legal Metrology Act, 2009;

   c. The Legal Metrology (Packaged Commodities) Rules, 2011

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

i. Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI) notified by Central Government;

ii. The Listing Agreements entered into by the Company with Stock Exchanges alongwith SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015;

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

We further report that during the period under review, the Board of Directors of the Company was 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 notices were given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent adequately 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, wherever applicable.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the Audit period, the Company has not entered into / carried out any specific events / actions which may have a major bearing on the Company's affairs.

For R&D Company Secretaries

Sd/-
Debabrata Deb Nath
Partner
FCS No.: 7775; CP No. : 8612

Place : Delhi
Date : 22nd May, 2018

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 to Secretarial Audit Report

To
The Members
Dhanuka Agritech Limited
82, Abhinash Mansion
1st Floor, Joshi Road,
Karol Bagh, New Delhi-110 005

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the Audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of Financial Records and Books of Accounts of the Company.
4. Where ever required, we 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. Our examination was limited to the verification of procedure 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.

For R&D Company Secretaries

Sd/-
Debabrata Deb Nath
Partner
FCS No.: 7775; CP No. : 8612

Place : Delhi
Date : 22nd May, 2018

Annexure 'E' to Directors' Report

Particulars of Employees

Information in accordance with the provisions of Section 197 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year ended 31st March, 2018

Name of Director	Nature of Directorship	Ratio to median remuneration of employees
Mr. R. G. Agarwal	Chairman	119.48
Mr. M.K. Dhanuka	Managing Director	139.79
Mr. A. K. Dhanuka	Whole Time Director	109.25
Mr. Rahul Dhanuka	Whole Time Director	103.75
Mr. Mridul Dhanuka	Whole Time Director	75.39
Mr. Ashish Saraf	Whole Time Director	4.77

* Median salary of employees during
FY 2017-18: Rs. 3.34 Lacs p.a.
FY 2016-17: Rs. 2.96 Lacs p.a

All the Non executive Directors were paid only sitting fees for attending the Board and Committee Meetings. Hence, their remuneration is not comparable.

ii) The percentage increase (decrease) in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial Year 2017-18

Name of Director	Nature of Directorship	% Increase (decrease) in the remuneration
Mr. R. G. Agarwal	Chairman	(0.78)
Mr. M.K. Dhanuka	Managing Director	9.48
Mr. A. K. Dhanuka	Whole Time Director	(0.24)
Mr. Rahul Dhanuka	Whole Time Director	(1.22)
Mr. Mridul Dhanuka	Whole Time Director	0.91
Mr. Ashish Saraf	Whole Time Director	34.18
Mr. V.K. Bansal	Chief Financial Officer	28.63
Mr. Kapil Garg*	Company Secretary	4.83
Ms. Jyoti Verma**	Company Secretary	NA

*Resigned w.e.f. 21st August, 2017 ; ** Appointed w.e.f. 13th November, 2017

iii) The percentage increase in the median remuneration of employees in the Financial Year 2017-18: 12.84%

iv) The number of permanent employees on the rolls of Company as on 31st March, 2018 : 1259.

v) Average percentile increase already made in the salaries of employees other than the Managerial Personnel in the last Financial Year i.e. FY 2017-18 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:

Average percentile increase in salaries of employees other than Managerial Personnel in the last Financial Year i.e. FY 2017-18 was 12.84%. Percentile increase in Managerial Remuneration was 9.47%.

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

vii) As per rule 5(3) of Companies (Appointment and Remuneration) Rules, 2014, employees who draw salary exceeding the limits of Rs. 1.02 Crores is as follows:

There was no employee other than the following who was in receipt of remuneration in excess of above specified limits during the year 2017-18

Name & Age	Designation	Remuneration p.a. (Rs. in Crore)	Qualification/ Experience	Date of Joining	Previous Employment & Designation	Percentage of shares held	Relation to any Director or Manager
Mr. R.G. Agarwal (69 years)	Chairman	3.93	B.Com (Hons), 48 Years	Since incorporation	Own Business	0.74%	Brother-Mr. M.K. Dhanuka, Father- Mr. Rahul Dhanuka
Mr. M.K. Dhanuka (63 years)	Managing Director	4.61	B.Com (Hons)/ 42 Years	Since Incorporation	Own Business	0.06%	Brother- Mr. R.G. Agarwal, Father- Mr. Mridul Dhanuka
Mr. A.K. Dhanuka (61 Years)	Director (Works)	3.59	B.Com/ 39 Years	23.05.2007	Own Business	0.08%	No
Mr. Rahul Dhanuka (43 years)	Director (Marketing)	3.41	B.Sc & M.B.A. / 20 Years	01.02.2002	Own Business	0.67%	Son- Mr. R.G. Agarwal
Mr. Mridul Dhanuka (37 years)	Director (Operations)	2.48	B.Tech. & M.B.A./ 13 Years	01.04.2005	Own Business	0.06%	Son- Mr. M.K. Dhanuka

Form No. AOC-1

STATEMENT PURSUANT TO FIRST PROVISO TO SUB-SECTION (3) OF SECTION 129 OF THE COMPANIES ACT, 2013, READ WITH RULE 5 OF COMPANIES (ACCOUNTS) RULES, 2014 IN THE PRESCRIBED FORM AOC-1 RELATING TO WHOLLY OWNED SUBSIDIARY COMPANY- M/S AGRI-SOLUTIONS PVT. LIMITED

(Rs. in Lacs)

Name of the Subsidiary Company	M/s. Dhanuka Agri-Solutions Pvt. Limited, Bangladesh
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same (i.e. 31st March)
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Bangladeshi Taka (Exchange Rate 1 BDT=INR 0.8061)
Share capital (Rs.)	0.09
Reserves & surplus	-7.74
Total assets	3.90
Total Liabilities	11.64
Investments	Nil
Turnover	Nil
Profit before taxation	Nil
Provision for taxation	Nil
Profit after taxation	Nil
Proposed Dividend	Nil
% of shareholding	100%

*Subsidiary has not yet started it's operations

For and on behalf of the Board of Directors

Sd/-
M.K. DHANUKA
(Managing Director)
DIN : 00628039

Sd/-
RAHUL DHANUKA
(Executive Director)
DIN : 00150140

Risk Identification, Assessment & Mitigation Document

Risk is the uncertainty associated with the outcome of an event, depending on factors influencing it. Risk is inherent in every form of enterprise and different risks have different impact on business. Risk in Agricultural-inputs sector is considered to be relatively high, due to the dependency on Environmental factors.

Risk Management

Risk Management is a pro-active approach towards better control and management of an organization. It comprises risk identification, assessment and mitigation. The first step is to identify all relevant risks – Internal and External. The next step is to assess the probable impact of the risks on the business - high, medium or low. Finally, the Management has to decide its response strategy to manage each risk and take appropriate action.

A formal Risk Management Process and its periodic review help in establishing a culture that results in better business and risk management. It puts Management in a better position to determine the best course of action to mitigate the risks.

Objectives of Risk Mitigation Plan

The objectives of risk mitigation plan are to decide risk response strategies for the various risk items which have been identified and assessed during the risk analysis, to enable appropriate action in the right direction to manage risk.

The following three key questions can be posed while planning risk mitigation measures:

1. What options are available and which ones are appropriate for us in current scenario?
2. What are the tradeoffs in terms of costs, benefits and risks among the available options?
3. What shall be the future impact of current decisions?

Risk Response Strategy

A well-defined risk response strategy can help to avoid or reduce the identified risks.

A risk may be:

- Unidentified, unmanaged or ignored (by default).
- Recognized, but no action taken (absorbed as a matter of policy).
- Avoided (by taking appropriate steps).
- Reduced (by an alternative approach).
- Transferred (to others through contract or insurance).
- Retained and absorbed (by prudent strategy).
- Handled by a combination of the above.

A. INTERNAL RISK FACTORS: Internal risks are those which are essentially within the Company's control. We have attempted to cover all relevant internal risks falling under the 7 M's of Management: Man, Money, Machine, Material, Method, Management, Measurement

S. No.	Category	Internal Risk Factors	Risk Assessment: Likelihood / Impact	Risk Response Strategy	Response Actions
1	Man	Mis-handling of hazardous chemical and poisonous substances in the manufacturing process	L: Low I: High	Risk Reduction	Adequate training and safety measures
2	Money	Exposure to Foreign Exchange rate fluctuation	L: Medium I: Medium	Risk Transference	Partly covering Forex exposure by taking forward contracts, futures, options and cost reduction structures including cancellation and re-bookings at appropriate times by the Company officials as may be authorised by the Board or Banking, Finance & Operations Committee of the Company and Comply with applicable laws disclosure policies & norms and reporting of transactions etc. Frequent reviews and Statutory audit, including internal checks and controls. The Company has also appointed consultant to guide the Company to mitigate risk to minimum possible level.
3	Money/ Machine	Fixed Assets	L: Low I: Low	Risk Transference	Insurance coverage
4	Material	Development of resistance by pests to Company's products in the long term rendering them ineffective	L: Low I: Low	Risk Reduction	Introduction of new products and tie-ups with International manufacturers of molecules
5	Material	Dependence on Strategic collaborations for supply of technical	L: Low I: High	Risk Retention	Maintaining amiable relations and a win-win approach towards existing collaborators and exploring new possibilities through two-pronged approach: a) widening of existing collaborations by adding new products b) exploring opportunities for collaborating with more companies
6	Material	Increase in raw-material prices	L: Medium I: Low	Risk Reduction	Prices are mutually decided with suppliers, upfront at beginning of each fiscal for tie-up products with MNCs
7	Method	Indiscriminate/Faulty use of the products by farmers	L: Low I: Medium	Risk Reduction	Dhanuka Doctors and field staff train and educate farmers
8	Method	Inadequacy of documented plans, policies and process flows, business contingency plan	L: Low I: Low	Risk Reduction	The Company has appointed consultant to streamline this category of Risk.
9	Management	Dependence on Key Management Team – Attrition Management, back-ups and Succession planning	L: Low I: Medium	Risk Reduction	Training and development of next level are being undertaken.
10	Measurement	Inaccuracy of forecasts, Inventory & Logistic mis-management could result in unexpected reduction in sales due to stock-outs or surplus of stocks, wastages, theft, pilferage	L: Low I: High	Risk Reduction	Proper planning & controls are being implemented through professional advice

B. EXTERNAL RISK FACTORS: External risks refer to risks external to the business itself and are largely beyond the Company's control. We have attempted to cover all relevant External risks as per PEST Analysis: Political/Legal, Economic, Social and Technological. In addition, Environmental factor has also been incorporated, as it has a major impact on our Industry.

S. No.	Category	External Risk Factors	Risk Assessment NT	Risk Response Strategy	Response Actions
1	Environment	Environmental conditions beyond the control of the Company like floods, droughts, monsoons, etc. can adversely affect operations of the Company	L: Medium I: High	Risk retention	Usually, rain is not evenly spread out over the country. Hence, even if rains are scarce in one territory, the sales in other territories, which have better rainfall averages out the shortfall in sales
2	Environment	Considering seasonality of the Company's business, sales may be low during off-season	L: Medium I: Medium	Risk reduction	Efforts are made to ensure availability of adequate stocks during peak season, to maximize sales, so that the total turnover meets targeted sales
3	Social	Sales of the Company are to a large extent dependent on the overall area under cultivation and the cropping pattern adopted by the farming community in India; increasing urbanisation	L: Low I: Low	Risk reduction	Products are being introduced which increase productivity per hectare. Some new products which directly increase productivity are Dhanvarsha, Dhanzyme, Dhanzyme Gold, Maxyld. Also, there are new products which indirectly increase productivity by protecting seeds from soil and seed borne diseases e.g. Vitavax power, Vitavax FF
4	Social	Increasing influence of NGO's / media wrt organic foods, side-effects of pesticides on health and environment	L: Low I: Low	Risk reduction	Educating people about the increasing food needs of an increasing population and extent of side-effects of pesticides usage. Also environment- friendly, new low-dosage, but high- efficacy products are introduced to minimise damage to health & environment. For instance, if 500 gm/ acre weedicide was being used earlier, now only 8 gm/ acre is being used because of advanced chemistry products.
5	Technological	Competition from other established companies and future entrants into the industry, both domestic and international, development of new molecules	L: Medium I: Medium	Risk reduction	Continuous exploration & strategic collaborations with International companies for new technologically advanced and more effective products
6	Economic	General State of the Economy & Industry	L: Medium I: Medium	Risk absorption	India is an agriculture dominated economy, where 58% of population is dependent on agriculture for livelihood and ours is an agri-inputs company. Also, the Company has started to explore new markets through exports.
7	Economic	Farmers incomes and Minimum Support Prices	L: Low I: Low	Risk absorption	Farmers incomes and Minimum Support Prices are increasing, which is beneficial to our industry
8	Political/ Legal	Failure to comply with/ changes in stringent quality norms prescribed by the Government, environmental & other laws / regulations / Policies/ litigation	L: Medium I: Medium	Risk reduction	All due steps are taken to ensure timely compliances
9	Political/ Legal	Changes in Government Policies relating to hazardous Industries	L: Medium I: High	Risk reduction	Manufacturing operations from Gurgaon unit have been shifted to Keshwana Unit

Report on Corporate Governance

I. Company's Philosophy

Dhanuka's governance framework is driven by the objective of enhancing long term stakeholders' value without compromising on Ethical Standards and Corporate Social Responsibilities. Efficient Corporate Governance requires a clear understanding of the respective roles of the Board of Directors ("Board") and of Senior Management and their relationships with others in the Corporate Structure. Sincerity, fairness, good citizenship and commitment to compliance are key characteristics that drive relationships of the Board and Senior Management with other Stakeholders.

Dhanuka's philosophy on Corporate Governance is embedded in the rich legacy of ethical governance practices, committed to value creation by taking principle Business decisions. Good Corporate Governance results in enhancement of Shareholders' value and enables the Company to meet its obligations towards all stakeholders with integrity, equity, transparency, fairness, disclosure, accountability and commitment.

This includes its Corporate Structure and the manner in which it deals with various Stakeholders. At Dhanuka, it is imperative that our Corporate Affairs are managed in a fair and transparent manner which in turn bring trust, faith and belief in the system. Therefore, timely and accurate disclosure of information regarding the financial situation, performance, ownership and governance of the Company is an important part of our Corporate Governance.

Dhanuka believes in adopting the 'Best Practices' that are followed in the area of Corporate Governance across the Industry to ensure fiscal accountability and ethical corporate behavior, in addition to meeting the legal requirements. At Dhanuka, the Board is at the core of our Corporate Governance Practice and considers itself as a Trustee of its Shareholders and acknowledges its responsibilities towards them for creating and safeguarding their wealth.

Dhanuka is in compliance with the requirements of the revised guidelines on Corporate Governance stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

II. Board of Directors

(a) Composition:

The Board has an optimum combination of Executive, Non-Executive and Woman Director. As at 31st March, 2018, Board comprises total 12 Directors out of which Six are Non-Executive Independent Directors (including one woman Director) and Six Executive Directors. Out of the Six Executive Directors, one is the Executive Chairman and the other is Managing Director. All the Six Non-Executive Directors are Independent Directors free from any business or other relationship that could materially influence their judgement. All the Independent Directors satisfy the criteria of Independence as defined under the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"Listing Regulations**)" .

(b) Changes during the Year:

During the period under review, Mr. Balvinder Singh Kalsi, resigned from the Directorship of the Company with effect from 15th February, 2018 and Mr. Sanjay Saxena has been appointed as an Additional Director under the category of Non-Executive Independent Director w.e.f 22nd May, 2018 for a term of 5 (Five) years. His candidature is proposed for Members' approval at the 33rd AGM.

(c) Re-appointment of Directors Proposed at upcoming AGM:

- Following Directors are liable to retire by rotation and are eligible for re-appointment at the forthcoming AGM:
  1. Mr. Mahendra Kumar Dhanuka
  2. Mr. Ashish Saraf
- Tenure of Mr. Arun Kumar Dhanuka as Whole time Director of the Company will be over on 31st July, 2018 and being eligible, he has offered himself for re-appointment as a Whole time Director of the Company. Your Board has approved and recommended his re-appointment for a further period of 5 (Five) years w.e.f. 1st August, 2018, based on the recommendation of the Nomination and Remuneration Committee.
- Section 149(10) of the Companies Act, 2013 provides that an Independent Director shall hold office for a term of up to 5 (Five) consecutive years on the Board and shall be eligible for re-appointment for Second Term of 5 (Five) consecutive years on passing a Special Resolution by the Company and disclosure of such appointment in its Boards' Report. Section 149 (11) provides that an Independent Director may hold office for up to 2 (Two) consecutive terms. As the tenure of Mr. Priya Brat, Mr. Vinod Kumar Jain, Mr. Indresh Narain, Mrs. Asha Mundra and Mr. Om Prakash Khetan, Independent Directors will be over on 19th May, 2019, the Board has recommended their re-appointment for Second Term of 5 (Five) years.
- In terms of Regulation 17(1A) of Listing Regulations, no listed entity shall appoint or continue a person as a Non-Executive Director with effect from 1st April, 2019, who has attained the age of 75 years unless a Special Resolution is passed in this regard. As term of Mr. Priya Brat, aged 82 years and Mr. Om Prakash Khetan aged 84 years is expiring on 19th May, 2019, their re-appointment for Second Term of 5 (Five) years is recommended to Members.

  Brief resume, nature of expertise in specific functional areas, Directorships and Membership of the Board

Committees of all the proposed appointees / re-appointees are given in the Explanatory Statement attached to the Notice of 33rd AGM of the Company.

(d) Other Directorships and Committee Memberships:

In compliance with the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, none of the Directors on Company's Board is a Director in more than 10 Public Limited Companies (including M/s. Dhanuka Agritech Limited) or is a Member of more than 10 Board Committees (Committees being the Audit Committee and the Stakeholders' Relationship Committee) or Chairman of more than 5 (Five) Board Committees as on 31st March, 2018.

Brief details of the Board of Directors of the Company:

S. No.	Name of the Director	Category	No. of Board Meetings during FY 2017-18		Attendance at last AGM held on 10th August, 2017	Directorship in Public Limited Companies as on 31.03.2018	Membership of Committees (excluding Chairmanship) as on 31.03.2018	Chairmanship of Committees as on 31.03.2018
			Held	Attended				
1.	Mr. Ram Gopal Agarwal DIN: 00627386	Executive (Promoter) Non- Independent	4	4	Present	1	0	0
2.	Mr. Mahendra Kumar Dhanuka DIN: 00628039	Executive (Promoter) Non- Independent	4	4	Present	2	1	0
3.	Mr. Arun Kumar Dhanuka DIN: 00627425	Executive (Promoter) Non-Independent	4	4	Present	2	0	0
4.	Mr. Rahul Dhanuka DIN: 00150140	Executive (Promoter) Non- Independent	4	3	Absent	3	1	0
5.	Mr. Mridul Dhanuka DIN: 00199441	Executive (Promoter) Non-Independent	4	4	Present	3	0	0
6.	Mr. Priya Brat DIN: 00041859	Non-Executive Independent	4	4	Present	3	2	2
7.	Mr. Indresh Narain DIN: 00501297	Non-Executive Independent	4	4	Absent	1	1	1
8.	Mr. Sachin Kumar Bhartiya DIN: 02122147	Non-Executive Independent	4	2	Present	4	1	0
9.	Mr. Balvinder Singh Kalsi* DIN: 00012784	Non-Executive Independent	4	4	Present	1	1	0
10.	Mr. Vinod Kumar Jain DIN: 01185937	Non-Executive Independent	4	4	Present	1	1	0
11.	Mrs. Asha Mundra DIN: 00394215	Non-Executive Independent	4	3	Present	2	1	0
12.	Mr. Om Prakash Khetan DIN: 06883433	Non-Executive Independent	4	4	Absent	1	0	0
13.	Mr. Ashish Saraf DIN: 07767324	Executive	4	4	Present	1	0	0
14.	Mr. Sanjay Saxena** DIN:01257965	Additional Non-Executive Independent	N.A	N.A	N.A	N.A	N.A	N.A

*Ceased to be Director w.e.f. 15th February, 2018

**Appointed as an Additional Director (Non-Executive Independent category) w.e.f. 22nd May, 2018.

Note:

1. Directorship, Committee Membership / Chairmanship is inclusive of M/s. Dhanuka Agritech Limited.
2. Only Audit Committee and Stakeholders' Relationship Committee are considered here for the purpose of Directorship and Committee Membership / Chairmanship.
3. Directorships do not include Directorships of Private Limited Companies, LLP and Companies incorporated under Section 8 of the Companies Act, 2013.

(e) Information Flow to the Board Members:

Information is provided to the Board Members on a continuous and regular basis for their review, suggestions and approval as and when required. More specifically, Annual Strategic and Operating Plans of our business are presented to the Board for their review, inputs and approval. Likewise, quarterly Financial Statements and Annual Financial Statements are first presented to the Audit Committee and subsequently to the Board for their approval. Detailed presentation on general working of the Company and material developments is made before the Board by Mr. Mahendra Kumar Dhanuka, Managing Director in every Board Meeting. In addition, Corporate Laws update, important managerial decisions, material positive / negative developments and statutory matters are presented to the respective Committees of the Board and later with the recommendation of such Committees to the Board for their approval. Detailed agenda for the Board and Committee Meetings along with supporting documents are circulated well in advance to all the Directors to make them enable to fully participate in Meetings and provide their suggestions / inputs and simultaneously to address their queries. Information pertaining compliance status of all applicable Laws along with recent Amendments is provided to the Board from time to time.

(f) Familiarization Programme and Training for Independent Directors:

The Company regularly provides orientation and business overview to its Directors by way of detailed presentations by various business & functional heads at Board Meetings and through other interactive programmes. Such Meetings / programmes include briefings on the culture, values, business model of the Company, the roles and responsibilities of Directors and Senior Executives. Besides, the Directors are regularly updated about Company's New projects, R&D Initiatives, Product Launch, Litigation update, changes in regulatory environment and strategic direction. The Board Members are also provided relevant documents, reports and internal policies to facilitate familiarisation with the Company's procedures and practices, from time to time.

At the time of appointment, the Company conducts familiarization programme for an Independent Director by conducting Meetings with key officials such as Chairman, Managing Director, Chief Financial Officer, Company Secretary and other Senior Business Leaders. During these meetings, presentations are made on the roles and responsibilities, duties and obligations of the Board Members, Company's business and strategy, financial reporting, governance and compliances and other related matters. Details regarding familiarization programme are available on the Company's website.

Code of conduct for the Board and Senior Management Personnel:

The Company has laid down a comprehensive Code of Conduct ('Code') for the Board and Senior Management Personnel of the Company. The Company has received affirmations from Board Members as well as Senior Management confirming their compliance with the said Code for FY 2017-18. An annual declaration signed by the Chairman, Managing Director & CEO to this effect forms part of this Report. The Code is available on the website of the Company.

(g) Board Meetings held during Financial Year 2017-18:

During the year, 4 (Four) Board Meetings were held and the time gap between any of the two Meetings was not more than one hundred and twenty days. The Board Meetings were held on 19th May, 2017; 10th August, 2017; 13th November, 2017 and 14th February, 2018 respectively.

Facility of Video conferencing was available to the Directors to participate in the Meetings.

During the year, a separate Meeting of the Independent Directors was held on 14th February, 2018, to review the performance of the Non-Independent Directors, Chairman of the Board, Committees of the Board and the Board as a whole.

(h) Committees of the Board of Directors:

The Board Committees play a crucial role in the Governance structure of the Company and have been assigned specific areas /activities which need closer review. They are set up under the formal approval of the Board, to carry out their clearly defined roles.

Currently, the Board has the following Committees:

i) Audit Committee
ii) Stakeholders' Relationship Committee
iii) Nomination and Remuneration Committee
iv) Corporate Social Responsibility Committee
v) Banking, Finance and Operations Committee
vi) Buyback Committee

i) Audit Committee:

The Audit Committee of the Company is constituted in line with the Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013 and the Rules notified by the Central Government in this regard. The Board decides the Member and terms of reference of the Audit Committee within the framework laid down by SEBI. 4 (Four) Meetings of the Committee were held during the year on 19th May, 2017; 10th August, 2017; 13th November, 2017 and 14th February, 2018 respectively. The necessary quorum was present during all the Meetings.

Constitution and Attendance

Name	Designation and Category	Meeting(s) Held during Tenure	Meetings Attended
Mr. Priya Brat	Chairman-Non Executive, Independent	4	4
Mr. Mahendra Kumar Dhanuka	Member-Executive, Non Independent	4	4
Mr. Vinod Kumar Jain	Member-Non Executive, Independent	4	4
Mr. Sachin Kumar Bhartiya	Member-Non Executive, Independent	4	2
Mr. Indresh Narain	Member-Non Executive, Independent	4	4

All the Members of the Audit Committee are financially literate and Mr. Priya Brat, Chairman of the Committee, has expertise in Finance.

Reporting of Internal Auditors: The Internal Auditors of the Company attends Meetings of Audit Committee on a regular basis and findings of Internal Audits as well as action taken thereon are reported directly to the Audit Committee.

Terms of Reference:

(1) Oversight of the Company's Financial Reporting Process and the disclosure of its Financial Information to ensure that the Financial Statements are Correct, Sufficient and Credible;

(2) Recommendation for appointment, remuneration and terms of appointment of Auditors;

(3) Approval of payment to Statutory Auditors for any other services rendered by them;

(4) Review, with the management the Annual Financial Statements and Auditors Report thereon before submission to the Board for approval, with particular reference to:

(a) Matters required to be, included in the Director's Responsibility Statement to be included in the Board's Report in terms of Clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;

(b) Changes, if any, in Accounting Policies and Practices and reasons for the same;

(c) Major accounting entries involving estimates based on the exercise of judgment by management;

(d) Significant adjustments made in the Financial Statements arising out of audit findings;

(e) Compliance with Listing and other legal requirements relating to Financial Statements;

(f) Disclosure of Related Party Transactions;

(g) Modified opinion(s) in the draft Audit Report;

(5) Review with the management the quarterly Financial Statements before submission to the Board for approval;

(6) Review with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this regard;

(7) Review and monitoring the Auditor's independence and performance, and effectiveness of Audit Process;

(8) Approval or any subsequent modification of transactions of the Company with Related Parties;

(9) Scrutiny of Inter-Corporate Loans and Investments;

(10) Valuation of undertakings or assets of the Company, wherever it is necessary;

(11) Evaluation of Internal Financial Controls and Risk Management Systems;

(12) Review with the management, performance of Statutory and Internal Auditors, adequacy of the Internal Control Systems;

(13) Review the Adequacy of Internal Audit function, including the structure of the Internal Audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of Internal Audit;

(14) Discussion with Internal Auditors of any significant findings and follow-up thereon;

(15) Review the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

(16) Discussion with Statutory Auditors before the Audit commences, about the nature and scope of Audit as well as post-audit discussion to ascertain any area of concern;

(17) To look into reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared Dividends) and Creditors;

(18) To Review the functioning of the Whistle Blower Mechanism;

(19) Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;

(20) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

ii) Stakeholders' Relationship Committee:

During the Financial Year 2017-18, 4 (Four) Stakeholders' Relationship Committee Meetings were held on 19th May, 2017; 10th August, 2017; 13th November, 2017 and 14th February, 2018 respectively.

The necessary quorum was present during all the Meetings.

Constitution and Attendance

Name	Designation and Category	Meeting(s) Held during Tenure	Meetings Attended
Mr. Indresh Narain	Chairman-Non Executive, Independent	4	4
Mr. Rahul Dhanuka	Member-Executive, Non Independent	4	3
Mrs. Asha Mundra	Member-Non Executive, Independent	4	3
Mr. Balvinder Singh Kalsi*	Member-Non Executive, Independent	4	4

*Mr. Balvinder Singh Kalsi ceased to be a Member of Stakeholders' Relationship Committee w.e.f. 15th February, 2018 due to his resignation from the Board of Directors of the Company.

Terms of Reference:

The Stakeholders' Relationship Committee

a. Reviews timely redressal of investors' complaints and considers measures in the larger interest of investors.

b. Reviews the redressal of requests relating to share transfer, transmission, transposition, issuance of duplicate share certificates, etc.

Name, designation and address of Compliance Officer:

Ms. Jyoti Verma, Company Secretary

w.e.f. 13th November, 2017

Add: Dhanuka Agritech Limited (CIN: L24219DL1985PLC020126)

14th Floor, Building 5A, DLF Epitome, DLF Phase III, Cyber City, Gurugram, Haryana – 122 002

Mr. Kapil Garg, Company Secretary acted as Compliance Officer- Upto 21st August, 2017, Mr. V.K. Bansal, Chief Financial Officer – acted as Compliance Officer From 22nd August, 2017 till 13th November, 2017

Number of Shareholders complaints received:

During the Financial Year 2017-18, the Company has received 59 Correspondences and 01 Complaint directly and 27 Correspondences were received by RTA (including nil complaint) from Shareholders. At the end of Financial Year no complaint was pending and all were resolved.

iii) Nomination and Remuneration Committee:

The Nomination and Remuneration Committee formulates the criteria for remuneration of Directors, Senior Officials and Key Managerial Personnel and after evaluation recommends the same to the Board of Directors. This Committee also evaluates performance of Independent Directors and the Board of Directors from time to time. During the year ended 31st March, 2018, 3 (Three) Meetings of the Committee were held on 19th May, 2017, 13th November, 2017 and 14th February, 2018. The necessary quorum was present during all the Meetings.

Constitution and Attendance:

Name	Designation and Category	Meeting(s) Held during Tenure	Meetings Attended
Mr. Priya Brat	Chairman- Non Executive, Independent	3	3
Mr. O.P.Khetan	Member- Non Executive, Independent	3	3
Mr. Sachin Kumar Bhartiya	Member- Non Executive, Independent	3	1

Company Secretary of the Company attends all the Meetings.

Terms of Reference:

Following are the types of references of the Nomination and Remuneration Committee:

a. Identify persons who are qualified to become Directors and to consider appointment of Key Managerial personnel in accordance with the criteria laid down and recommend to the Board their appointment and removal and also carry out evaluation of every Director's performance. The Company shall disclose the Remuneration Policy and evaluation criteria in its Annual Report;

b. 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 Directors, Key Managerial Personnel and other Employees;

c. Formulation of criteria for performance evaluation of all Directors, Chairman of the Board and the Board;

d. Devise a Policy on Board diversity;

e. Review and reassess periodically adequacy of this charter and recommend any changes to the Board for approval;

f. Whether to extend or continue the term of appointment of an Independent Director on the basis of his / her performance evaluation;

g. Any other matter, as may be required by the Companies Act, 2013, Companies (Meetings of Board and its Powers) Rules, 2014 and Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, any other law for the time being in force or as directed by the Board of Directors.

Remuneration Policy

The Company's Remuneration Policy represents the overreaching approach of the Company to the remuneration of Directors and Senior Management. The objective of the Company's Remuneration Policy is to ensure that all the employees, including Executive Directors and Key Managerial Personnel are sufficiently incentivized for enhanced performance. The Nomination and Remuneration Committee takes into account various factors to determine this Policy and to amend it from time to time. The Policy ensures that due regard is given to the Company's Financials and Interest of Shareholders and that levels of remuneration are sufficient to attract and retain exceptional employees who can take the Company forward.

Within the terms of agreed Policy, the Company determines the individual remuneration package for all its employees giving due weightage to the Corporate and individual performance including their experience, educational and professional qualifications. Both variable and fixed components of the remuneration packages are set as per the market practices followed in India and our industry. Total remuneration will comprise:–

a) Basic Salary to perform day to day operations.

b) Variable pay payable to Sales team on achievement of prescribed targets on Specialty and Lifeline products.

c) Sales Incentives payable to Sales team as per the incentive Policy of the Company devised to motivate its sales employees to "Sell More, Earn More".

d) A performance linked incentive for non-sales team based on the corporate performance, departmental achievements and individual contribution.

e) Relevant long term employee benefits – Provident Fund, Gratuity, Superannuation etc. are paid in accordance with the applicable laws.

f) Commission and Perquisites are provided to Executive Directors and Senior Executives as per the market practices.

g) Business tools like car / driver / laptops / phones, etc. are provided, as per the Company Policy.

Remuneration policy of the Company is available at its website i.e (www.dhanuka.com) under Investors Section.

iv) Corporate Social Responsibility Committee:

Keeping in view the requirements of Section 135 of the Companies Act, 2013, read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board has constituted the Corporate Social Responsibility Committee ("CSR Committee") in its Meeting held on 6th February, 2014.

During the Financial Year 2017-18, CSR Committee Meeting was held on 13th November, 2017. All the Members were present in the Meeting. The Committee comprises Mr. Arun Kumar Dhanuka, Mr. Indresh Narain, as Members and Mr. Ram Gopal Agarwal as its Chairman.

Terms of Reference:

a. Formulate and recommend to the Board, a Corporate Social Responsibility ("CSR") Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;

b. Recommend the amount of expenditure to be incurred on CSR activities; and

c. Monitor the CSR Policy of the Company from time-to-time.

The Company is involved in various CSR Activities.

The objective of CSR Policy is to lay down guidelines to bring effectiveness in its CSR Activities which are being undertaken to assist in the sustainable development of the society. The Company strives to actively contribute to the social and economic development of the communities in which it operates. The Company believes in making sustained efforts towards promoting education and health care; eradicating hunger, poverty and malnutrition; conservation of water, deployment of water for agriculture and human use.

The thrust is on training and educating farmers and dealers and transfer of technology to improve food production. The Company's CSR efforts is to conserve "Gaon ka paani, gaon mein aur khet ka paani, khet mein" and will continue its CSR activities in this direction.

The Company undertakes CSR activities that aim at improving the lives of agricultural and rural community holistically. The Company's CSR Policy is available on the Company's website www.dhanuka.com and other details about CSR spend are part of Directors' Report.

v) Banking, Finance and Operations Committee:

During the Financial Year 2017-18, 8 (Eight) Meetings of the Banking, Finance and Operations Committee of the Board of Directors were held on 19th May, 2017; 28th June, 2017; 30th August, 2017; 22nd September, 2017; 13th November, 2017; 10th January, 2018; 14th February, 2018 and 19th March, 2018. The necessary quorum was present during all the Meeting

Constitution and Attendance:

Name	Designation and Category	Meeting(s) Held during Tenure	Meetings Attended
Mr. Ram Gopal Agarwal	Chairman-Executive, Non Independent	8	7
Mr. Mahendra Kumar Dhanuka	Member-Executive, Non Independent	8	8
Mr. Arun Kumar Dhanuka	Member-Executive, Non Independent	8	8
Mr. Rahul Dhanuka	Member-Executive, Non Independent	8	6
Mr. Mridul Dhanuka	Member-Executive, Non Independent	8	8

Terms of Reference:

a. Approval for opening / closing bank accounts, including modification of authorities for operating them;

b. Approve all borrowings, including those from banks / financial institutions etc., including availing ad-hoc funds for working capital purpose, accepting sanction of loans and giving security for the same;

c. Approval for investing surplus funds of the Company;

d. Approval for applying for licenses, registrations, etc. to all Central and State Government departments, to deal with and represent the Company before various Regulatory Authorities, to initiate and defend legal proceedings, by / against the Company, to execute Power of Attorney;

e. Approval for acceptance of security deposits in the routine course of business of the Company for the performance of contract for supply of goods;

f. Approval for financing Bank guarantees;

g. Any other activity relating to afore-said matters subject to all applicable laws including power to delegate such of its functions, from time to time, as may be considered necessary.

vi) Buyback Committee

Buyback Committee comprises 5 (Five) Members namely Mr. Ram Gopal Agarwal, Mr. Mahendra Kumar Dhanuka, Mr. Arun Kumar Dhanuka, Mr. Rahul Dhanuka and Mr. Mridual Dhanuka. There was no Meeting of the Committee held during the Financial Year 2017-18.

III. Remuneration paid During Financial Year 2017-18

➢ **To Executive Directors:**

As per the remuneration policy, the remuneration paid to Executive Directors is recommended by the Nomination and Remuneration Committee and approved by the Board, subject to subsequent approval by Shareholders at the General Meeting and such other authorities, as the case may be. The remuneration is arrived at after considering various factors such as qualification, experience, expertise, prevailing remuneration in the industry and the financial position of the Company.

(Rs. in Lacs)

S. No.	Name of Director	Salary and Allowances	Commission	Superan-nuation	P.F.	Total
1.	Mr. Ram Gopal Agarwal. Chairman	113.00	266.88	-	13.56	393.44
2.	Mr. Mahendra Kumar Dhanuka, Managing Director	181.09	266.88	-	13.44	461.41
3.	Mr. Arun Kumar Dhanuka	82.65	266.88	-	9.90	359.43
4.	Mr. Rahul Dhanuka	65.15	266.88	1.20	7.80	341.03
5.	Mr. Mridul Dhanuka	61.65	177.92	1.20	7.38	248.15
6.	Ashish Saraf	15.70	-	-	0.22	15.92

➢ **To Non-Executive Directors (Independent)** **(Rs. in Lacs)**

S. No.	Name of Director	Sitting Fee
1.	Mr. Priya Brat	2.60
2.	Mr. Vinod Kumar Jain	2.00
3.	Mr. Indresh Narain	2.80
4.	Mr. Balvinder Singh Kalsi*	2.00
5.	Mr. Sachin Kumar Bhartiya	1.20
6.	Mrs. Asha Mundra	1.50
7.	Mr. Om Prakash Khetan	1.80

*Ceased to be Director and Committee Member w.e.f. 15th February, 2018.

The Executive Directors are not paid any Sitting Fees. The Non-Executive Directors were paid sitting fees of Rs. 30,000/- for each Board Meeting attended and Rs. 20,000/- for each Committee Meeting attended during the Financial Year 2017-18.

➢ **Details of Equity Shares Held by Directors as on 31st March, 2018**

Name	Number of Equity Shares
Mr. Ram Gopal Agarwal	361419
Mr. Rahul Dhanuka	328328
Mr. Mahendra Kumar Dhanuka	29465
Mr. Indresh Narain	800
Mr. Mridul Dhanuka	29465
Mr. Arun Kumar Dhanuka	38964

Note:The Company has not issued any ADR/GDR/Warrants/ any kind of convertible Securities or Employee Stock Option.

None of the Non-Executive Directors hold any Equity Shares of the Company, except Mr. Indresh Narain who holds 800 (Eight Hundred Only) Equity Shares.

IV. General Body Meetings:

A. The details of date, venue and time of the last three Annual General Meetings, Extra-ordinary General Meetings, Court Convened Meetings held and Special Resolutions passed are as under:

General Body Meeting	Financial Year	Date	Venue	Special Resolutions
32nd Annual General Meeting	2016-17	10th August, 2017 at 11:00 A.M.	Mapple Emerald Hotel, Rajokri, National Highway-8, New Delhi -110 038	No Special Resolution passed.
Postal Ballot	2016-17	2nd January, 2017	Not Applicable	To consider and approve Buyback of Equity Shares by the Company
31st Annual General Meeting	2015-16	11th August, 2016 at 11:00 A.M.	Shri Purushottam Hindi Bhawan, 11, Vishnu Digambar Marg (Rouse Avenue), New Delhi-110002	No Special Resolution passed.
Court Convened Meeting#	2015-16	4th April, 2015 at 11:00 A.M.	Shri Purushottam Hindi Bhawan, 11, Vishnu Digambar Marg (Rouse Avenue), New Delhi-110002	To consider and approve resolution for Merger of M/s. A.M. Bros. Fintrade Private Limited and M/s. Dhanuka Finvest Private Limited with M/s. Dhanuka Agritech Limited through a High Court approved Scheme of Amalgamation.
30th Annual General Meeting	2014-15	29th December, 2015 at 11:00 A.M.	Shri Purushottam Hindi Bhawan, 11, Vishnu Digambar Marg (Rouse Avenue), New Delhi-110002	To consider adoption of revised Articles of Association of the Company framed in accordance with the requirement of the Companies Act, 2013

#The Company offered Remote e-voting facility to its Members pursuant to the provisions of the Companies Act, 2013 as an alternate voting mechanism which enabled them to cast their votes electronically.

B. Role of the Company Secretary:

Ms. Jyoti Verma, Company Secretary and Compliance Officer is responsible for the following:-

(a) To ensure conformity with the regulatory provisions applicable to the listed entity in letter and spirit.

(b) Co-ordination with and reporting to the Board, recognized Stock Exchange(s) and Depositories with respect to compliance with rules, regulations and other directives of these authorities in manner as specified from time to time.

(c) To ensure that the correct procedures have been followed that would result in the correctness, authenticity and comprehensiveness of the information, statements and reports filed by the listed entity under these regulations.

(d) To monitor email address of grievance redressal division as designated by the listed entity for the purpose of registering complaints by Investors:

The provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, various SEBI guidelines including Substantial Acquisition of Shares and Takeovers Regulations, 2011 and (Prohibition of Insider Trading Regulations), 2015 and all other applicable Laws and Regulations in this regard are completely adhered to. the Secretarial Standards in relation to the Board Meetings and General Meetings issued by the ICSI are followed.

C. Disclosures:

a) Related Party Transactions:

Pursuant to the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, necessary approvals for transactions with Related Parties were obtained from the Audit Committee, the Board of Directors and Members, during the Financial Year 2017-18.

The Board has approved a Policy for Related Party Transactions which has been uploaded on the Company's website at the following link http://www.dhanuka.com/compliance-report-on-corporate-governance/.

b) Disclosures on materially significant Related Party Transactions that may have potential conflict with the interest of the Company at large:

The disclosures with regard to transactions with Related Parties are given in the Notes to Accounts of the Audited Financial Statements for the Financial Year ended 31st March, 2018. These transactions are not in conflict with the Company's interest. There was no Material Related Party Transaction during the year ended 31st March, 2018.

c) Details of non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any other Statutory Authority on any matter related to the Capital Markets during the last three years:

The Company has been strictly adhering to the applicable Rules and Regulations made by SEBI. No penalties or strictures were imposed on the Company by the BSE / NSE or SEBI or any other Statutory Authority, on any matter related to the capital markets during last three years.

d) Disclosure of Accounting Treatment:

The Financial Statements have been prepared in accordance with Ind AS as notified under the Companies (Indian Accounting Standards) Rules, 2015.

e) Compliance Certificate

The Compliance Certificate as stipulated in Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 was placed before the Board along with the Financial Statements for the Financial Year ended 31st March, 2018 and the Board reviewed the same. The said Certificate is annexed to this report.

f) Whistle Blower Policy and affirmation that no personnel has been denied access to Audit Committee:

Your Company has adopted a Whistle Blower Policy as a mechanism for any Stakeholder to report concerns about unethical behavior or actual or suspected fraud of all kinds, including alleged fraud by or against the Company, abuse of authority, whether made by a named complainant or anonymously. No person has been denied access to the Chairman of the Audit Committee. The Policy is available on the Company's website (www.dhanuka.com). No complaints under this head was reported during the year.

g) Internal Complaints Committee:

Your Company has constituted an Internal Complaints Committee ("ICC"), in accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. The ICC comprises Ms. Jyoti Verma (Presiding Officer), Mr. A.K. Chaturvedi, Ms. Puja Gogia and Ms. Ekta Rai. Female employees can report about sexual harassment incidents at workplace and the Committee strives towards unbiased resolution of the same.

The Policy is available on the Company's website (www.dhanuka.com). There were no complaints during the Financial Year 2017-18.

h) Details of the familiarization programme of the Independent Directors are available on the website of the Company (http://www.dhanuka.com/compliance-report-on-corporate-governance/).

i) Details of compliance with mandatory requirements and adoption of the non- mandatory requirements:

The Company has complied with all the mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

D. Means of Communication:

a) **Publication:** The Quarterly Results of the Company are approved and taken on record by the Board of Directors of the Company within 45 days (for I, II, III quarter) / 60 days (for IV quarter) from the end of quarter. The Approved Results are also published within 48 hours in Financial Express i.e. English Newspaper and Jansatta i.e. Hindi leading Newspaper.

b) **Website:** The Company's website provides comprehensive information on Company's profile, its business lines, Management, Corporate Governance, news releases. An exclusive section is dedicated to Investors consolidated information on the Quarterly, Half Yearly, Annual Financial Statements and Shareholding patterns in downloadable format, as a measure of added convenience to investors. It provides all the information as prescribed under Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

c) **Annual Report:** Annual Report containing, inter alia, Audited Annual Accounts, Consolidated & Standalone Financial Statements, Directors' Report, Cash Flow Statement, Auditors' Report and other important information is circulated to Members and others entitled thereto. In accordance with the Green initiatives of the MCA, the Annual Report is e-mailed to those Shareholders who hold Shares in dematerialized form and whose e-mail id is registered with the Depository Participants. Hard copies are sent to the rest of the Shareholders. The Annual Report of the Company is also available on the Company's website in a user-friendly and downloadable form.

d) **The Quarterly Unaudited Financial Results as well as Annual Audited Financial Results are promptly uploaded on website of BSE and NSE where the Company's Shares are listed.**

e) **Management Discussion and Analysis (MDA) Report:** The Report on MDA forms part of the Annual Report.

f) **Intimation to the Stock Exchanges:** The Company intimates the Stock Exchanges all price sensitive information and material events, in accordance with its Materiality Policy on disclosure of Material Events.

The objective of the Materiality Policy is to ensure timely and adequate disclosure of material events and price sensitive information under Regulations (30) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 by the Company. All such disclosures are signed by the Chairman or Managing Director or Company Secretary. This information is also posted on the website (www.dhanuka.com) of the Company.

g) **Code for Prevention of Insider Trading:** The Company has comprehensive guidelines on Prevention of Insider Trading in line with the SEBI (Prohibition of Insider Trading) Regulations, 2015.

The Company has implemented a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information for Prevention of Insider Trading, referred to as the "Fair Disclosure Code".

The Trading Window is closed prior to the Board Meeting at which Unpublished Price Sensitive Information is discussed and re-opens after the public announcement of this information by the Company, in accordance with the Code. The Company observes a Silent period when the Trading Window is closed.

The procedure for dissemination of Unpublished Price Sensitive Information is complied with by the Chief Investors Relations Officer and Authorized Spokespersons, as stated in the Fair Disclosure Code.

The Company has also implemented Code of Conduct to regulate, monitor and report trading by Insiders, referred to as the "Insider Trading Code". This Code is applicable to all the Insiders of the Company for Trading in Company's securities. The disclosures, reporting requirements, restrictions on communication of Unpublished Price Sensitive Information are scrupulously followed.

h) **Public Announcements** made by the Company from time to time are also displayed on the Company's website. Corporate Presentations made to the Institutional Investors and Analysts after the declaration of the quarterly, half-yearly and annual results are also displayed on the Company's website.

IV. General Shareholder Information:

a) **33rd Annual General Meeting for the Financial Year ended 31st March, 2018**

Day & Date : Friday, 10th day of August, 2018
Time : 10:30 A.M.
Venue : Mapple Emerald Hotel, Rajokri, National Highway-8, New Delhi -110 038

b) **Date of Book Closure: Wednesday, 1st August, 2018 to Friday, 10th August, 2018.**

c) **Dividend Information**

Interim dividend @ 100% i.e of Rs. 2/- per Equity Share for each Equity Share having a Face Value of Rs. 2/- each was paid on 14th February, 2018 for the Financial Year 2017-18. Final Dividend @ 175 % i.e. Rs. 3.50 per Equity Share for Each Equity Share having a Face Value of Rs. 2/- each for the Financial Year 2017-18 has been recommended by the Board of Directors to Shareholders for their approval. If approved the Dividend shall be paid to those Members whose name(s) appear on the Register of Members as on 31st July, 2018.

d) **Transfer to Investor Education and Protection Fund (IEPF):**

During the Financial Year under review, your Company has transferred unpaid/ unclaimed dividend, amounting to Rs.

4,39,859/- for FY 2009-10 to the Investor Education and Protection Fund (IEPF) of the Central Government of India.

e) **Due Dates for Transfer of Unclaimed Dividend to Investors Education and Protection Fund (IEPF)**

Pursuant to Section 124 of the Companies Act, 2013, Final Dividend for the Financial Year 2010-11 which remained unpaid /unclaimed for a period of 7 (Seven) years from the date of such transfer shall be transferred by the Company to the Investors Education and Protection Fund (IEPF) of the Central Government. The Dividend for following years (see table below), which remains unclaimed for 7 (Seven) years from the date of such transfer in the unpaid dividend account, will be transferred to the IEPF in accordance with the schedule given below. Shareholders who have not encashed their dividend warrants relating to the dividends specified below are requested to immediately send their request for issue of duplicate warrants. The details of dividends specified below are available on the website of the Company (www.dhanuka.com). Once unclaimed dividend is transferred to IEPF, no claim shall lie in respect thereof with the Company. However, Shareholders may claim their unclaimed amount as per the procedures / guidelines issued by the Ministry of Corporate Affairs (MCA). For details, investors can visit the website of IEPF Authority viz. www.iepf.gov.in.

Statement showing due date of Transfer of unpaid / unclaimed Dividend to IEPS

S. No.	Financial Year	Type of Dividend	Date of declaration	Percentage	Dividend Balance as on 31.03.2018	Due Date of Transfer
1	2010-11	Final	29.07.2011	100%	662210.00	03.09.2018
2	2011-12	Final	13.08.2012	110%	894722.40	18.09.2019
3	2012-13	Interim	19.02.2013	75%	616516.50	26.03.2020
4	2012-13	Final	12.08.2013	65%	474492.20	27.09.2020
5	2013-14	Interim	18.02.2014	100%	747922.00	17.02.2021
6	2013-14	Final	17.09.2014	100%	641222.00	23.10.2021
7	2014-15	Final	29.12.2015	225%	1421667.00	04.03.2023
8	2015-16	Interim	09.02.2016	125%	771432.50	17.03.2023
9	2015-16	Interim	17.03.2016	200%	1141632.00	22.04.2023
10	2016-17	Final	10.08.2017	30%	237616.40	15.09.2024
11	2017-18	Interim	14.02.2018	100%	725190.00	22.03.2025
Total					**8334623.00**	

f) **Mandatory Transfer of Shares to Demat Account of Investors Education and Protection Fund Authority (IEPFA) in case of unpaid/ unclaimed dividend on shares for a consecutive period of 7 (Seven) years**

In terms of Section 124(6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) shares on which dividend has not been paid or claimed by a Shareholder for a period of 7 (Seven) consecutive years or more shall be credited to the Demat Account of Investor Education and Protection Fund Authority (IEPFA) within a period of 30 (Thirty) days of such shares becoming due to be so transferred. Upon transfer of such shares, all benefits (like bonus, etc.), if any, accruing on such shares shall also be credited to such Demat Account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares.

In pursuance of the foregoing your Company has transferred 82500 shares on which dividend was unclaimed / unpaid for consecutive 7 (Seven) years to IEPF Authority on 30th November, 2017. Details of such shares are available on website of Company under Investors Section. Shares which have been transferred to the Demat Account of IEPFA can be claimed back by the Shareholder from IEPFA by following the procedure prescribed under the aforesaid rules. Therefore, it is in the interest of Shareholders to regularly claim the dividends declared by the Company.

g) **Securities Listed on Stock Exchange(s)**:

BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001. Scrip Code: 507717	**National Stock Exchange of India Ltd.** Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051. Scrip Code: Dhanuka

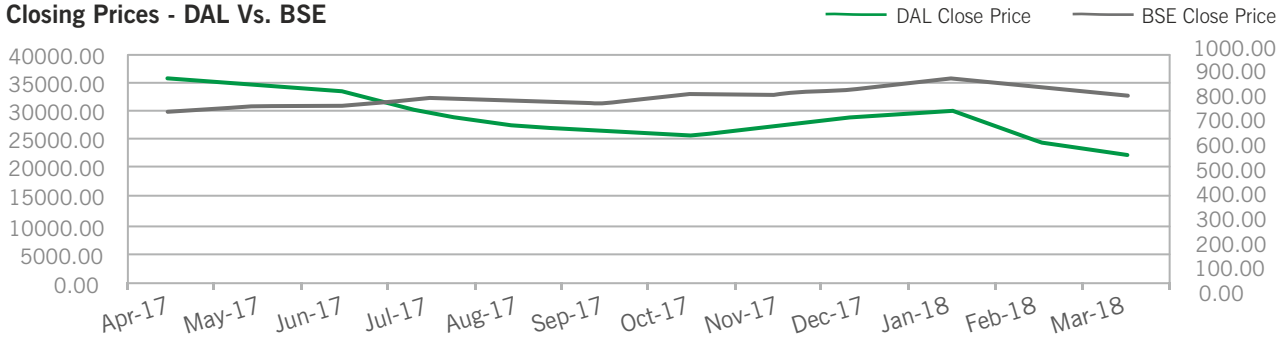
Annual listing fees for the Financial Year 2018-19 have been paid to the above Stock Exchange(s).

h) Market Price Data:

(1) **BSE:**

Month	High Price (Rs.)	Low Price (Rs.)	Close Price (Rs.)	Traded Quantity (No.)	Total Turnover (Rs. In Lacs)
Apr-17	917.05	769.95	895.10	314458	2509.34
May-17	940.00	756.85	867.75	67110	581.13
Jun-17	929.10	828.75	838.20	27951	243.61
Jul-17	850.00	731.00	742.75	60440	490.41
Aug-17	779.70	668.00	685.75	35657	256.29
Sep-17	712.00	635.00	666.75	16017	108.60
Oct-17	689.00	641.00	647.70	14451	95.90
Nov-17	710.00	631.15	687.25	350365	2282.74
Dec-17	745.00	678.00	731.65	44883	320.18
Jan-18	803.06	730.00	755.60	40251	313.22
Feb-18	785.00	612.30	618.95	38149	262.43
Mar-18	628.00	536.55	553.20	118646	688.20

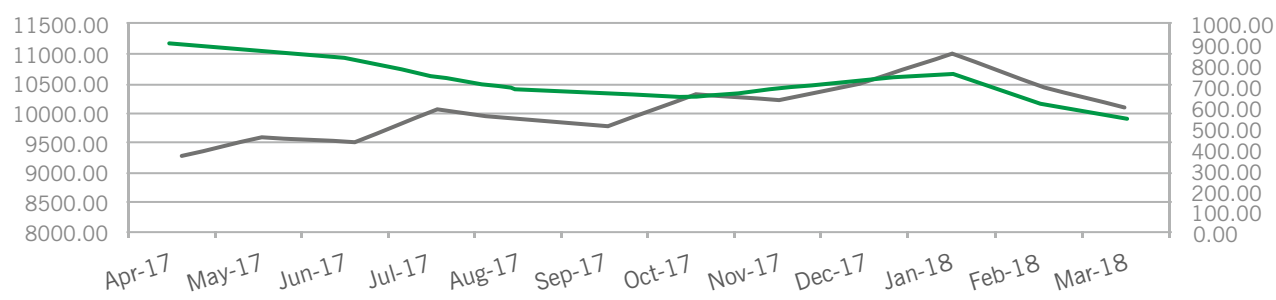
Closing Prices - DAL Vs. BSE



(2) **NSE:**

Month	High Price (Rs.)	Low Price (Rs.)	Close Price (Rs.)	Traded Quantity (No.)	Total Turnover (Rs. in Lacs)
Apr-17	929.50	764.10	903.95	537507	4407.00
May-17	929.80	760.00	874.30	850565	7156.90
Jun-17	921.00	825.00	839.85	469664	4119.96
Jul-17	853.00	742.00	749.35	368469	2946.58
Aug-17	785.00	666.00	687.60	429169	3127.19
Sep-17	713.75	643.00	672.10	607672	4131.77
Oct-17	688.40	643.05	646.95	475995	3154.09
Nov-17	707.95	629.40	686.90	921856	6047.99
Dec-17	745.00	673.55	733.20	329447	2329.27
Jan-18	803.50	726.60	756.95	534375	4153.63
Feb-18	774.50	613.00	619.35	385643	2628.62
Mar-18	629.65	536.00	550.80	358701	2083.82

Closing Prices - DAL Vs. NSE



i) Financial Calendar

Financial reporting for the first quarter ending on 30th June, 2018	Within 45 days of the end of the quarter
Financial reporting for the second quarter ending on 30th September, 2018	Within 45 days of the end of the quarter
Financial reporting for the third quarter ending on 31st December, 2018	Within 45 days of the end of the quarter
Financial reporting for the Financial Year ending on 31st March, 2019	Within 60 days of the end of the Financial Year
Annual General Meeting for the Financial Year ending on 31st March, 2019.	Within 6 months of the end of the Financial Year

j) Share Transfer System:

M/s. Abhipra Capital Limited is the Registrar and Transfer Agent (RTA) of the Company and carries out the process of share transfers and transmissions. Stakeholders' Relationship Committee takes note of the transfers and transmissions executed by RTA on quarterly basis. Shares are also received by the RTA for dematerialization from the Shareholders. Such Shares are dematerialized by RTA within stipulated time and a monthly Demat Statement is sent to the Company.

k) Investor's Correspondence:

All enquiries relating to share transfer / transmission, change of address, loss of share certificate etc. should be addressed to the RTA- M/s. Abhipra Capital Limited.

The queries relating to non-receipt of Dividend & Annual Reports should be addressed to the Company Secretary at the Corporate Office of the Company or e-mailed to investors@dhanuka.com.

l) Registrar and Transfer Agents:

M/s. Abhipra Capital Limited,
Ground Floor, Abhipra Complex, Dilkhush Industrial Area, A-387,
G.T. Karnal Road, Azadpur, Delhi – 110 033, India

Phone Nos. : (91)(011)27127362, 27249773/ 4, 42390708, 42390783
Website : www.abhipra.com
E-mail : info@abhipra.com, rta@abhipra.com

m) Plant Locations:

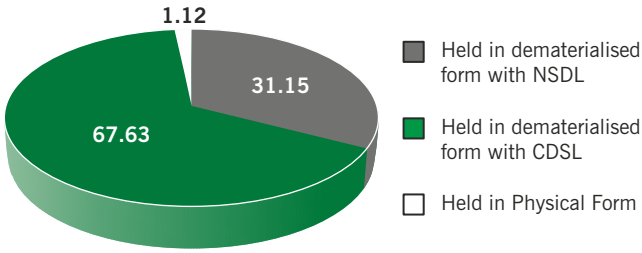
1. Ajanta Industrial Estate, Vasna Iyava, Sanand, District Ahmedabad, Gujarat.
2. SIICOP Industrial Estate, Battal Ballian, Udhampur (J&K)
3. Keshwana Industrial Area, Kotputli, Jaipur, Rajasthan.

n) Dematerialization of Shares and Liquidity:

In compliance with the SEBI Circular dated 30th September, 2011, 100% of the Company's Promoters and Promoter - Group Shareholding is in demat mode. As on 31st March, 2018, 4,85,26,602 Equity Shares of the Company were held in dematerialized form. The Equity Shares of the Company are actively traded on the BSE Ltd. and National Stock Exchange of India Limited in demat form. All the requests for nomination, change of address, change of Bank mandate / Bank particulars and dematerialization of Shares etc. are to be made only to the Depository Participant with whom the Shareholders have opened their Demat Account.

Reconciliation of Share Capital as on 31st March, 2018

Segments	Holding	% of Holding
NSDL	15286241	31.15
CDSL	33240361	67.73
Demat- (NSDL + CDSL)	48526602	98.88
Physical	551722	1.12
Total Shareholding	**49078324**	**100**



The total number of Equity Shares issued by the Company are 4,90,78,324 having Face Value of Rs. 2/- each.

Shareholding Pattern as on 31st March, 2018:

Class of Investors	No. of Shares held	% of Paid-Up Capital
Promoters & Associates	36808743	75.00
Mutual Funds/UTI	5793471	11.80
Indian Public	4566452	9.30
Foreign Institutional Investors	0	0.00
Financial Institution	10017	0.02
Corporate Bodies	1066887	2.18
Non-Resident Indians	660831	1.35
Others	171923	0.35
TOTAL	**49078324**	**100.00**

Distribution of Shareholding as on 31st March, 2018:

Range	Shareholders		Value	
	Numbers	Percentage (%)	Rs.	Percentage (%)
Upto 2,500	25079	97.816	59,97,412	6.110
2,501 - 5,000	319	1.244	11,92,054	1.214
5,001 - 10,000	115	0.449	8,24,820	0.840
10,001 - 20,000	46	0.179	6,87,202	0.700
20,001 - 30,000	20	0.078	4,93,452	0.503
30,001 - 40,000	5	0.020	1,81,472	0.185
40,001 - 50,000	3	0.012	1,30,942	0.133
50,001 - 1,00,000	25	0.098	16,10,200	1.640
1,00,001 & Above	27	0.105	8,70,39,094	88.674
TOTAL	**25639**	**100**	**9,81,56,648**	**100**

O) Foreign Exchange Risk

1. The Company's derivative instruments comprise forward exchange and option contracts which are not intended for trading or speculation purposes and are used only to hedge company's import liabilities.
2. Trade Exposure

   2.1 Imports - To some extent, this Exposure is hedged after discussion with consultant on a regular basis.

   2.2 Exports - Since the quantum of exports is very nominal, the same is kept open.

p) Shareholders' Initiative:

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandates the Company to obtain a Certificate either from the Auditors or from the Practicing Company Secretary regarding the compliance of Corporate Governance as stipulated in Listing Regulations and annex the Certificate with the Directors' Report, which is sent annually to the Shareholders and also send the same to the Stock Exchanges. We have obtained a Certificate from our Statutory Auditors to this effect and the same is annexed herewith.

q) Corporate Governance Compliance:

Compliance with mandatory & non-mandatory requirements

The Company has complied with all the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Company has fulfilled the following non-mandatory requirements as prescribed in Schedule II, PART E of Regulation 27(1) of (Listing Obligations and Disclosure Requirements) Regulations, 2015.

i) Audit Qualifications

It has always been the Company's endeavor to present unqualified Audited Financial Statements. There is no Audit Qualification in the Statutory Audit Report of the Company for the Financial Year ended 31st March, 2018.

ii) Separate posts of Chairman and Managing Director

The Company's Chairman is Mr. Ram Gopal Agarwal and Managing Director is Mr. Mahendra Kumar Dhanuka.

iii) Reporting of Internal Auditor

The Internal Auditor Reporting is Directly to the Audit Committee

iv) The Company has a Subsidiary Company but that is not a Material Subsidiary Company.

v) Your Company has complied with all the requirement of Regulations 17 to 27 and clause (b) to (i) of sub-regulation 46 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 except regulation 24(1) which is not applicable to the Company.

DECLARATION BY CHIEF EXECUTIVE OFFICER / MANAGING DIRECTOR PURSUANT TO SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

I, Mahendra Kumar Dhanuka, Managing Director of M/s. Dhanuka Agritech Limited ('the Company') confirm that the Company has adopted a Code of Conduct ("Code") for its Board Members and Senior Management Personnel and the Code is available on the Company's website.

I, further confirm that the Company has received from its Board Members as well as Senior Management Personnel affirmation respect of the Financial Year ended 31st March, 2018, as to compliance with the Code of Conduct.

For Dhanuka Agritech Limited

Sd/-
Mahendra Kumar Dhanuka
Managing Director
DIN: 00628039

Place: Gurugram
Date: 22nd May, 2018

COMPLIANCE CERTIFICATE BY CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) PURSUANT TO SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

We, Mahendra Kumar Dhanuka, Managing Director and V.K.Bansal, Chief Financial Officer of Dhanuka Agritech Limited ('the Company'), hereby certify that:

A. We have reviewed Financial Statements and the Cash Flow Statement of the Company for the Financial Year ended and that to the best of our knowledge and belief:

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

   2. 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. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the Year which are fraudulent, illegal or violative of the Company's Code of Conduct.

C. We accept responsibility for establishing and maintaining internal controls for Financial reporting and that we have evaluated the effectiveness of Internal Control Systems of the Company pertaining to Financial Reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such Internal Controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the Auditors and the Audit committee:

   1. Significant changes in Internal Control over Financial Reporting during the Year ended;

   2. Significant changes in accounting policies during the Year and that the same have been disclosed in the notes to the Financial Statements; and

   3. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's Internal Control System over Financial Reporting.

For Dhanuka Agritech Limited

Sd/-	**Sd/-**
V.K. Bansal	**M.K. Dhanuka**
Chief Financial Officer	**Managing Director**
	DIN : 00628039

Place: Gurugram
Date: 22nd May, 2018

INDEPENDENT AUDITORS' REPORT

To,

The Members of

Dhanuka Agritech Limited

Report on the Indian Accounting Standard (Ind AS) Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Dhanuka Agritech Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2018 and the statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in the equity of the Company in accordance with the Indian Accounting Standards (Ind AS) as prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the order issued under Section 143(11) of the Act.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143 (10) of the Act and other applicable authoritative Pronouncements issued by the Institute of Chartered Accountants of India. Those standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amount and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including assessment of the risk of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2018, its profit,(including total comprehensive income), the changes in equity and its cash flows for the year ended on that date.

Other Matter

The financial information of the Company for the year ended March 31, 2018 and the transition date opening Balance Sheet as at April 1 2016 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2017 and March 31, 2016 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by M/s Dinesh Mehta & Co, Chartered Accountants FRN: 000220N, on which we expressed an unmodified opinion dated May 19, 2017 and May 24, 2016 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ('the order') issued by the Central Government of India in terms of sub - section (11) of section 143 of the Act (hereinafter referred to as the "order") , and on the basis of

such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the **Annexure B** a statement on the matters specified in the Paragraph 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143 (3) of the Act, we report that:

   (a). We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the standalone Ind AS financial statements.

   (b). In our opinion proper books of account as required by law relating to preparation of the aforesaid standalone Ind AS financial statements have been kept by the Company so far it appears from our examination of those books;

   (c). The balance sheet, the statement of profit and loss including other comprehensive income, Statement of Changes in Equity and the cash flow statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of standalone Ind AS financial statements.

   (d). In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

   (e). On the basis of the written representation received from the directors as on 31st March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A".** Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   (g). With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules 2014 as amended, in our opinion and to the best of our knowledge and belief and according to the information and according to the explanations given to us:

   (i). The company has disclosed the impact, if any, of pending litigations as at 31st March 2018 on its financial position in its standalone Ind AS financial statements. - **Refer Note No 36;**

   (ii) There are no foreseeable losses on long term contracts including derivative contracts as at 31st March 2018. Hence, company has not made any provision, as required under the applicable law or Indian accounting standards.

   (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31st March 2018.

For **Ambani & Associates LLP**
Chartered Accountants
FRN : 016923N

Sd/-
Hitesh Ambani
Designated Partner
Membership No : 506267

Place : Gurugram
Date : 22nd May, 2018

Annexure A to Independent Auditors' Report

Referred to in paragraph 2 (f) of the Independent Auditors' Report of even date to the members of Dhanuka Agritech Limited on the Standalone Ind AS financial statements for the year ended 31st March 2018

1. **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of section 143 of the Companies Act, 2013 ('the Act').**

   We have audited the internal financial controls over financial reporting of Dhanuka Agritech Limited ("the Company") as on 31st March 2018 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

2. **Management's Responsibility for Internal Financial Controls**

   The Board of Directors of 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act 2013.

3. Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards On Auditing specified under Section 143 (10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by ICAI. 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 controls based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

4. 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 (i) pertain to the Maintaince of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) 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 authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

5. 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.

6. Opinion

In our opinion, the company has, in all material respects, an adequate internal financial controls over financial reporting were operating effectively as at 31st March 2018, 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 **Ambani & Associates LLP**
Chartered Accountants
FRN : 016923N

Sd/-
Hitesh Ambani
Designated Partner
Membership No : 506267

Place : Gurugram
Date : 22nd May, 2018

Annexure B to the Independent Auditors' Report

I As required by the Companies (Auditor's Report) Order 2016, (the Order) issued by the Central Government of India in terms of sub section (11) of Section 143 of the Companies Act, 2013, and in terms of information and explanations given to us and also on the basis of such checks as we considered appropriate, we report on the matters specified in paragraphs 3 and 4 of the said order as follows:-

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

(b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which in our opinion is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are free hold, are held in the name of the Company as at the Balance Sheet date.

(ii) The Physical verification of inventory (excluding goods in transit and stock lying with third parties) has been conducted at reasonable intervals by the Management during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material.

(iii) As per information and explanations given to us the Company has not granted any loans, secured or unsecured to the companies, firms or other parties covered in the register under section 189 of the Companies Act, 2013 ('the Act'), therefore paragraph 3 (iii) (a), (iii) (b) and (iii) ('c) of the order are 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 grant of loans, making investments and providing guarantees and securities, as applicable.

(v) As per information and explanation given to us, the Company has not accepted any deposits during the year and does not have any unclaimed deposits as at 31st March 2018 and therefore, the provisions of the clause 3(v) of the order are not applicable to the Company.

(vi). Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate and complete.

(vii).(a) According to the information and explanations given to us and on the basis of our examination of records of the company, amount deducted / accrued in books of accounts in respect of , undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales tax, customs duty, excise duty, cess and other material statutory dues applicable to it have generally been regularly deposited with the appropriate authorities.

Although there are no material outstanding undisputed statutory dues as at the last day of the financial year ended on 31-03-2018 for a period of more than six months from the date they become payable.

(b) According to the information and explanation given to us, the following dues of Excise Duty and cess, Service Tax and Cess and Income Tax and Cess have not been deposited on account of some dispute with the concerned authority:

(Rs. In lacs)

Nature of Dues	Amount	Period to which the amount relates	Forum where dispute pending
Service Tax	140.25	Jan 2005 to Aug 2007	Addl. / Dy. Commissioner
Service Tax	36.00	Oct 2008 to March 2009	CESTAT, Delhi
Central Excise	9.41	1996	Addl. / Dy. Commissioner
Central Excise	48.21	1999-2000	CESTAT, Chandigarh
Central Excise	14.60	2010-2011	CESTAT, Delhi
Central Excise	357.31	Jan 2014-Sep 15	CESTAT, Chandigarh
Central Excise	132.70	Jan 2012-Sept 2016	CESTAT, Ahmedabad
Central Excise	103.23	Oct 2015-March 2016	Commissioner, Jammu
Central Excise	105.85	June 2010-Jan 2014	Commissioner, Jammu
WB -VAT	19.95	2009-10	WB Appellate Tribunal
Bihar-VAT	14.89	2008-09	Asstt. Commissioner
U.P-VAT	7.21	2016-2017	Commissioner
Gujarat VAT	138.00	2012-2013	Joint Commissioner

(viii). According to the information and explanations given to us, the company has not defaulted in the repayment of loans and borrowing to a Financial Institution, Bank or Government. Further, there are no debenture holders during the year. Hence reporting under clause 3 (viii) of the order is not applicable to the Company.

(ix) The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans during the year. Accordingly, Paragraph 3 (ix) of the order is not applicable to the company.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the 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 have been informed of any such case by the management.

(xi) According to the information and explanation 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 requisite 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. Hence, reporting under clause 3(xii) of the order is not applicable to the company.

(xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with section 177 and 188 of the Companies Act, 2013 where applicable for all transactions with related parties and the details of the related party transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable Ind AS.

(xiv) According to the information and explanations given 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. Hence, reporting under clause 3(xiv) of the order is not applicable to the company.

(xv) In our opinion and according to the information explanations given to us, during the year the company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence provisions of Section 192 of the Companies Act, 2013 are 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. Hence, reporting under clause 3(xvi) of the order is not applicable to the company.

For **Ambani & Associates LLP**
Chartered Accountants
FRN: 016923N

Sd/-
Hitesh Ambani
Designated Partner
Membership No.506267

Place : Gurugram
Date : 22nd May, 2018

Standalone Balance Sheet as at 31st March, 2018

(Rs. In lacs)

	Particulars	Note No.	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
I	**Assets**				
1	**Non-current assets**				
a	Property,Plant and Equipment	4	12,795.80	13,502.90	13,134.26
b	Capital work in progress	5	7.68	44.17	5.18
c	Other Intangible assets	6	297.63	280.74	200.45
d	Financial Assets				
	i) Investments	7	8,948.66	4,904.87	4,323.53
	ii) Loans	8	392.15	367.02	344.70
	iii) Other financial assets	9	134.19	127.91	121.56
e	Other non-current assets	14	1,971.57	1,916.88	2,166.04
	Total Non-Current assets		**24,547.68**	**21,144.49**	**20,295.72**
2	**Current assets**				
a	Inventories	10	20,498.57	26,447.11	17,256.40
b	Financial Assets				
	i) Investments	7	9,250.65	1,735.31	4,899.36
	ii) Trade receivables	11	20,796.75	18,384.39	18,537.39
	iii) Cash and cash equivalents	12	1,056.86	352.18	91.29
	iv) Bank balances other than (iii) above	12	83.34	82.12	125.06
	v) Loans	8	3,280.63	687.41	2,026.09
	vi) Other financial assets	9	469.46	549.03	475.12
c	Current Tax Assets (Net)	13	257.43	233.83	317.48
d	Other current assets	14	2,025.27	1,864.71	1,600.49
	Total Current assets		**57,718.96**	**50,336.09**	**45,328.68**
	Total Assets		**82,266.64**	**71,480.58**	**65,624.40**
II	**EQUITY AND LIABILITIES**				
1	**Equity**				
a	Equity Share Capital	15	981.57	981.57	1,000.39
b	Other Equity	16	62,354.32	51,189.59	47,065.87
	Total equity		**63,335.89**	**52,171.16**	**48,066.26**
	LIABILITIES				
2	**Non-current liabilities**				
a	Financial Liabilities				
	i) Other financial liabilities	19	2,351.41	2,645.78	2,262.65
b	Provisions	20	178.32	637.72	347.67
c	Deferred tax liabilities (Net)	21	1,333.49	1,259.27	847.95
d	Other non-current liabilities	22	7.93	15.04	18.41
	Total non-current liabilities		**3,871.15**	**4,557.81**	**3,476.68**
3	**Current liabilities**				
a	Financial Liabilities				
	i) Borrowings	17	471.65	789.25	769.47
	ii) Trade payables	18	8,300.61	5,699.02	6,063.75
	iii) Other financial liabilities	19	4,080.91	4,326.85	4,047.06
b	Other current liabilities	22	2,181.65	3,788.08	2,768.95
c	Provisions	20	24.78	148.41	432.23
	Total current liabilities		**15,059.60**	**14,751.61**	**14,081.46**
	Total Equity and Liabilities		**82,266.64**	**71,480.58**	**65,624.40**

Accompanying notes form an integral part of the financial statements

As per our report of even date attached
For **AMBANI & ASSOCIATES LLP**
Chartered Accountants
Firm Registration No: 016923N

For and on behalf of the Board of Directors

Sd/-
HITESH AMBANI
Designated Partner
Membership No : 506267
Place : Gurugram
Dated : 22nd May, 2018

Sd/-
M.K. DHANUKA
Managing Director
DIN : 00628039

Sd/-
RAHUL DHANUKA
Executive Director
DIN : 00150140

Sd/-
V.K. BANSAL
C.F.O.

Sd/-
JYOTI VERMA
Company Secretary

Statement of Standalone Profit & Loss for the year ended 31st March, 2018

(Rs. In lacs)

	Particulars	Note No.	For the period ended March 31, 2018	For the period ended March 31, 2017
I	Revenue from Operations	23	97,624.42	100,077.11
II	Other Income	24	1,603.06	1,751.31
III	**Total Revenue (I+II)**		**99,227.48**	**101,828.42**
IV	**EXPENSES**			
	Cost of materials consumed	25	38,736.28	45,018.87
	Purchase of Stock In Trade	26	11,070.33	11,194.13
	Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	27	6,416.79	(6,344.91)
	Excise Duty		1,360.93	11,742.29
	Employee Benefit Expenses	28	10,646.38	9,690.54
	Finance Costs	29	87.34	98.53
	Depreciation and Amortization Expense	30	1,420.62	1,484.80
	Other Expenses	31	12,788.02	11,789.49
	Total Expenses		**82,526.69**	**84,673.74**
V	**Profit Before Exceptional Items and Tax (III-IV)**		**16,700.79**	**17,154.68**
VI	**Exceptional items**		-	-
VII	**Profit before Tax (V-VI)**		**16,700.79**	**17,154.68**
VIII	**Tax Expenses**			
	Current Tax	32	4,458.67	4,553.29
	Tax of earlier year provided / written back	32	(449.87)	2.67
	Deferred Tax	32	74.22	411.32
IX	**Profit for the year**		**12,617.77**	**12,187.40**
X	**Other Comprehensive Income**	33		
A	(i) Items that will not be reclassified to profit or loss		82.77	(82.51)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B	(i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XI	**Total Comprehensive Income (IX+X)**		**12,700.54**	**12,104.89**
	Earnings per Equity Shares			
	1) Basic (in ₹)	34	**25.71**	**24.37**
	2) Diluted (in ₹)	34	**25.71**	**24.37**

Accompanying notes form an integral part of the financial statements

As per our report of even date attached
For **AMBANI & ASSOCIATES LLP**
Chartered Accountants
Firm Registration No: 016923N

For and on behalf of the Board of Directors

Sd/-
HITESH AMBANI
Designated Partner
Membership No : 506267

Sd/-
M.K. DHANUKA
Managing Director
DIN : 00628039

Sd/-
RAHUL DHANUKA
Executive Director
DIN : 00150140

Sd/-
V.K. BANSAL
C.F.O.

Sd/-
JYOTI VERMA
Company Secretary

Place : Gurugram
Dated : 22nd May, 2018

Statement of Changes in Standalone Equity for the year ended 31st March, 2018

(Rs. In lacs)

a.	EQUITY SHARE CAPITAL	As at March 31, 2018		As at March 31, 2017	
	Particulars	**No of shares**	**Amount**	**No of shares**	**Amount**
	Balance at the beginning of the reporting period	49,078,324	981.57	50,019,500	1,000.39
	Changes in equity share capital during the year	-	-	(941,176)	(18.82)
	Balance at the end of the reporting period	**49,078,324**	**981.57**	**49,078,324**	**981.57**

b.	OTHER EQUITY	Reserves & Surplus					Total
	Particulars	**Capital Reserve**	**Securities Premium Reserve**	**General Reserve**	**Capital Redemption Reserve**	**Retained earnings**	
	Balance at April 1, 2016	95.47	3,308.25	5,952.78	-	37,709.38	47,065.87
	Total comprehensive income for the year ended 31 March, 2017						
	-Profit or Loss during the year	-	-	-	-	12,187.40	12,187.40
	-Other comprehensive income for the year	-	-	-	-	(82.51)	(82.51)
	Total comprehensive income	**-**	**-**	**-**	**-**	**12,104.89**	**12,104.89**
	-Dividend paid during the year	-	-	-	-	-	-
	-Dividend Distribution Tax (DDT)	-	-	-	-	-	-
	-Transfer to General Reserve	-	-	1,194.00	-	(1,194.00)	-
	-Buy back of Shares	-	(3,308.25)	(4,691.75)	18.82	-	(7,981.18)
	Balance at March 31, 2017	**95.47**	**-**	**2,455.03**	**18.82**	**48,620.27**	**51,189.59**
	Balance at April 1, 2017	95.47	-	2,455.03	18.82	48,620.27	51,189.59
	Total comprehensive income for the year ended 31 March, 2017						
	-Profit or Loss during the year	-	-	-	-	12,617.77	12,617.77
	-Other comprehensive income for the year	-	-	-	-	82.77	82.77
	Total comprehensive income	**-**	**-**	**-**	**-**	**12,700.54**	**12,700.54**
	-Dividend paid during the year	-	-	-	-	(1,276.04)	(1,276.04)
	-Dividend Distribution Tax (DDT)	-	-	-	-	(259.78)	(259.78)
	-Transfer to General Reserve	-	-	-	-	-	-
	Balance at March 31, 2018	**95.47**	**-**	**2,455.03**	**18.82**	**59,784.99**	**62,354.32**

As per our report of even date attached
For **AMBANI & ASSOCIATES LLP**
Chartered Accountants
Firm Registration No: 016923N

For and on behalf of the Board of Directors

Sd/-
HITESH AMBANI
Designated Partner
Membership No : 506267
Place : Gurugram
Dated : 22nd May, 2018

Sd/-
M.K. DHANUKA
Managing Director
DIN : 00628039

Sd/-
RAHUL DHANUKA
Executive Director
DIN : 00150140

Sd/-
V.K. BANSAL
C.F.O.

Sd/-
JYOTI VERMA
Company Secretary

Standalone Statement of Cash Flow for the year ended 31st March, 2018

(Rs. In lacs)

	PARTICULARS	For the year ended March 31, 2018	For the year ended March 31, 2017
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit / (Loss) Before Tax	**16,700.79**	**17,154.68**
	Adjustments for:		
	Depreciation, amortization and impairment expenses	1,420.62	1,484.80
	Net (Gain)/Loss on Sale of Property, Plant & Equipment	(4.46)	(38.21)
	Finance Costs	87.34	98.53
	Interest Income	(366.22)	(747.00)
	Dividend Income from Investments	(338.87)	(268.60)
	Net (Gain)/Loss on Sale of Investment	(46.56)	(128.01)
	Net (Gain)/Loss on financial assets measured at fair value through Profit/Loss	(314.49)	(215.79)
	Provision for Bad and Doubtful debts & Advances	101.55	6.55
	Forex Fluctuation on Translation of Assets & Liabilities	59.72	(62.31)
	Operating Profit/(loss) before Working Capital changes	**17,299.43**	**17,284.64**
	(Increase) / Decrease in Trade Receivables	(2,513.92)	146.46
	(Increase) / Decrease in Current financial assets - Loans	(2,593.22)	1,338.68
	(Increase) / Decrease in Non Current financial assets - Loans	(25.12)	(22.32)
	(Increase) / Decrease in Other Current financial assets	79.57	(73.91)
	(Increase) / Decrease in Other Non Current financial assets	(6.28)	(6.35)
	(Increase) / Decrease in Other Current assets	(160.56)	(264.22)
	(Increase) / Decrease in Other Non Current assets	(54.70)	249.16
	(Increase)/Decrease in Inventories	5,948.54	(9,190.71)
	Increase / (Decrease) in Trade Payables	2,560.64	(321.19)
	Increase / (Decrease) in Other Current Financial Liabilities	(247.17)	322.73
	Increase / (Decrease) in Other Non Current Financial Liabilities	(294.37)	383.14
	Increase / (Decrease) in Other Current Provisions	(123.63)	(283.82)
	Increase / (Decrease) in Other Non Current Provisions	(376.63)	207.54
	Increase / (Decrease) in Other Current Liabilities	(1,606.44)	1,019.13
	Increase / (Decrease) in Other Non Current Liabilities	(7.11)	(3.37)
	Cash generated (used) in /from Operations before tax	**17,879.05**	**10,785.57**
	Net Direct Taxes paid	(4,032.40)	(4,472.32)
	Net cash flow (used) in/ from Operating Activities	**13,846.66**	**6,313.23**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Acquisition of Property, Plant & Equipment / Intangible Assets	(703.29)	(1,993.20)
	Proceeds from sale of Property, Plant & Equipment	13.84	58.70
	Purchase and sale of Investments	(11,198.08)	2,926.51
	Interest Received	366.22	747.00
	Dividend Income from Investments	338.87	268.60
	Net cash flow (used) in/ from Investing Activities	**(11,182.45)**	**2,007.61**
	Net cash (used) in/ from Operating and Investing Activities	**2,664.21**	**8,320.86**

Standalone Statement of Cash Flow for the year ended 31st March, 2018

(Rs. In lacs)

	PARTICULARS	For the year ended March 31, 2018	For the year ended March 31, 2017
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Short Term Borrowings (Net)	(336.37)	38.55
	Payment of Dividend	(1,276.04)	-
	Taxes on Dividend	(259.78)	-
	Buy Back of Shares	-	(8,000.00)
	Finance Costs	(87.34)	(98.53)
	Net cash (used) in/ from Financing Activities	**(1,959.53)**	**(8,059.98)**
	Net cash (used) in/ from Operating, Investing & Financing Activities	**704.68**	**260.88**
	Opening balance of Cash and Cash equivalent	**352.18**	**91.29**
	Closing balance of Cash & Cash equivalent	**1,056.86**	**352.18**

Note: Cash and cash equivalents included in the Cash Flow Statement comprise of the following (refer note no.12):-

	i) Cash Balance on Hand	46.37	41.03
	ii) Balance with Banks :		
	-In Current Accounts	7.84	86.22
	-In Fixed Deposits	1,000.15	96.63
	- Cheques in hand	2.50	128.30
	Total	**1,056.86**	**352.18**

Change in liability arising from financing activities

(Rs. In lacs)

Particulars	As at April 1, 2017	Cash flows	Foreign exchange movement	As at March 31, 2018
Borrowing Current (Refer Note 17)	789.25	(336.37)	18.77	471.65

As per our report of even date attached
For **AMBANI & ASSOCIATES LLP**
Chartered Accountants
Firm Registration No: 016923N

For and on behalf of the Board of Directors

Sd/-	**Sd/-**	**Sd/-**	**Sd/-**	**Sd/-**
HITESH AMBANI	**M.K. DHANUKA**	**RAHUL DHANUKA**	**V.K. BANSAL**	**JYOTI VERMA**
Designated Partner	Managing Director	Executive Director	C.F.O.	Company Secretary
Membership No : 506267	DIN : 00628039	DIN : 00150140		

Place : Gurugram
Dated : 22nd May, 2018

Notes to the Financial Statement for the year ended 31st March, 2018

1. CORPORATE INFORMATION

Dhanuka Agritech Limited ("DAL" or "the Company") is a public limited company incorporated under The Companies Act, 1956, domiciled in India and has its registered office at New Delhi. The shares of the Company are listed on National Stock Exchange and Bombay Stock Exchange.

DAL manufactures a wide range of agro-chemicals like herbicides, insecticides, fungicides, plant growth regulators in various forms – liquid, dust, powder and granules. The Company has a pan-India presence through its Branch offices/Depots in all major states in India.

2. BASIS OF PREPARATION

a. Statement of compliance

The financial statements are prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard ('Ind AS') as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 ('the Act') as amended through rules and other relevant provisions of the Act to the extent applicable.

The financial statement up to year ended 31 March, 2017 were prepared in accordance with accounting standards notified under section 133 of the Companies Act, 2013 ('The Act') read with rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI).

As these are the Company's first financial statements prepared in accordance with Indian Accounting Standards (Ind AS), Ind AS 101, First-time Adoption of Indian Accounting Standards has been applied. Reconciliations and explanations of the effect of the transition from previous GAAP to Ind AS on company's total equity, total comprehensive income and statement of cash flows are provided in Note no 45

These financial statements were authorized for issue by the Board of Directors on May 22, 2018.

b. Basis of measurement

The financial statements have been prepared on an accrual basis and under the historical cost convention, except for the following:

- Certain financial assets and liabilities that is measured at fair value;
- Defined benefit plans - plan assets measured at fair value.

c. Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). The financial statements are presented in Indian National Rupee ('INR'), which is the Company's functional and presentation currency. All amounts have been rounded to the nearest lacs, unless otherwise indicated.

d. Current or Non-current classification

All assets and liabilities have 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. Based on the nature of products and time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

e. Use of Judgements and estimates

In preparing the financial statements, the Management has to make certain assumptions and estimates that may substantially impact the presentation of the Company's financial position and/ or results of operations.

Such assumptions and estimates mainly relate to the useful life of Property, Plant and Equipment, Intangible Assets, Recognition of deferred tax, and the recognition of provisions, including those for litigation and impairment, employee benefits and sales deductions.

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Although the Company regularly assesses these estimates, actual results may differ from these estimates. Changes in estimates are recorded in the periods in which they become known.

3. SIGNIFICANT ACCOUNTING POLICIES

The Company has consistently applied the following accounting policies to all periods presented in the financial statements.

a. Property, plant and equipment

I. Recognition and measurement

Property, plant and equipment are measured at cost,

less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, after deducting trade discount and rebates, and including import duties, non-refundable purchase taxes, any directly attributable cost of bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials, direct labour and any directly attributable cost of bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are included in cost to the extent they relate to the period till such assets are ready for its intended use.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. The cost of replacing part of an item of property, plant and equipment or major inspections performed, are recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of all other repairs and maintenance are recognized in the Statement of Profit & Loss as incurred.

Capital work-in-progress includes cost of property, plant and equipment under installation / under construction as at the balance sheet date.

An item of property, plant and equipment is derecognized when no future economic benefits are expected to arise from the continued use of the asset or upon disposal. Any gain or loss on disposal is recognized in statement of profit & loss.

II. Transition to IND AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognized as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

III. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values, recognized in the statement of profit and loss. Depreciation on property, plant and equipment is provided on Written Down Value Method (WDV) at the rate and in the manner based on the useful life of the assets as estimated by the management which coincide with the useful life specified under Schedule II of the Companies Act, 2013, which are as follows:

- Building including factory building - 30-60 years.
- General plant and machinery - 15 years
- Plant and Machinery-Vessel / Storage tank - 20 years
- Furniture and Fittings - 10 years
- Motor Vehicles - 8-10 years
- Office Equipment - 5 years
- Computers and data processing units - 3-6 years
- Wind Mill - 22 years
- *Solar Plant - 25 years

*The useful life considered above is on the basis of the agreement with third party regarding sale of electricity generated from this plant.

Depreciation methods, useful lives and residual values are reviewed at each financial year end and changes, if any, are accounted for prospectively. Depreciation on additions to or on disposal of assets is calculated on pro-rata basis i.e. from (upto) the date on which the property, plant and equipment is available for use (disposed off).

Assets having cost upto Rs.5000/- have been fully depreciated in the year of acquisition by leaving Re.1 as a nominal value for its identity in fixed assets register.

b. Intangible assets

I. Recognition and measurement

Intangible Assets are recognized, if the future economic benefits attributable to the assets are expected to flow to the company and cost of the asset can be measured reliably. All other expenditure is expensed as incurred.

Intangible assets are measured at cost less any accumulated amortization and impairment losses, if any and are amortized over their respective individual estimated useful life on straight line method. It is amortized from the point at which the asset is available for use.

Cost of an item of intangible asset comprises its purchase price, after deducting trade discount and rebates, and including import duties, non-refundable purchase taxes, any directly attributable cost of

bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.

The estimated useful lives are as follows:

Computer Software	10 years

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 and adjusted prospectively, if appropriate.

An intangible asset is derecognized when no future economic benefits are expected to arise from the continued use of the asset or upon disposal. Any gain or loss on disposal is recognized in statement of profit & loss.

Transition to Ind AS

On transition to Ind AS, company has elected to continue with the carrying value of all of its intangible assets recognized as at 1 April 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such intangible assets.

c. Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash flows are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash Generating Units ('CGUs').

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss.

In respect of assets for which impairment loss has been recognized in prior periods, the company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. After impairment, depreciation or amortization is provided on the revised carrying amount of the assets over its remaining useful life.

d. Financial instruments

I. Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially recognized at fair value plus transaction costs directly attributable to its acquisition. The transaction costs incurred for the purchase of financial assets held at fair value through profit and loss are expensed in the statement of profit and loss immediately.

II. Subsequent measurement

1) Financial assets carried at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. When the financial asset is derecognized or impaired, the gain or loss is recognized in the statement of profit and loss.

2) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in statement of profit and loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to the statement of profit and loss.

Equity instruments are subsequently measured at fair value. On initial recognition of an equity

investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment by investment basis. Fair value gains and losses recognized in OCI are not reclassified to the statement of profit and loss.

3) Financial assets at fair value through profit and loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit and loss.

4) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts is approximate to the fair value due to the short maturity of these instruments.

5) Investment in subsidiaries

Investment in subsidiaries is carried at cost less impairment, if any, in the separate financial statements.

III. Impairment of financial assets

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost and FVOCI debt instruments. Except trade receivables, expected credit losses are measured at an amount equal to the twelve month expected credit loss unless there has been a significant increase in credit risk from initial recognition, in which case those are measured at lifetime ECL.

In case of trade receivables, the Company follows the simplified approach which requires expected lifetime losses to be recognized from the initial recognition of the trade receivables. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

IV. Derecognition

1) Financial Assets

Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

2) Financial Liabilities

The company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expired.

V. Reclassification of Financial Assets and Financial liabilities

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. If the company reclassifies financial assets, it applies prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

VI. Derivative financial instruments

The company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risk. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are recognized immediately in the statement of profit and loss.

VII. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance

sheet when, and only when, the company has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

e. Fair Value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using other valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair value for measurement and/ or disclosure purposes are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1-This includes financial instruments measured using quoted prices (Unadjusted) in active markets for identical assets and liabilities.

Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 - If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

f. Inventories

Inventories (including Stock-in-transit) of Finished Goods, Stock in Trade, Work in progress, Raw materials, packing materials and Stores & Spares are stated at 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 includes expenditure incurred in acquiring the inventories, production or conversion costs, and other costs incurred in bringing them to their existing location and condition. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Cost of Raw Materials, Packing Materials, Stores and Spares, Stock in Trade and other products are determined on First in first out (FIFO) basis and are net of GST.

Cost of Work in progress and Finished Goods is determined on First in first out (FIFO) basis considering direct material cost and appropriate portion of manufacturing overheads based on normal operating capacity.

Obsolete, slow moving and defective inventories are identified at the time of physical verification of inventories and wherever necessary, the same are written off or provision is made for such inventories. Finished goods and work in progress are written down if anticipated net realizable value declines below the carrying amount of the inventories and such write down to inventories are recognized in statement of profit & loss. When reason for such write down ceases to exists, then write down is reversed through statement of profit and loss account.

g. 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. If the effect of the time value of money is material, 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. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent Liability is disclosed after careful evaluation of facts, uncertainties and possibility of reimbursement, unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent liabilities are not recognized but are disclosed in notes.

Contingent assets are not disclosed in the financial statements unless an inflow of economic benefits is probable.

h. Revenue Recognition

I. Sale of goods

Revenue is measured at the fair value of the consideration received or receivable. Revenue is recognized when the significant risk and rewards of ownership have been transferred to the customer and it is probable that the economic benefits associated with the transaction will flow to the company. There is

no continuing management involvement with the goods to the degree usually associated with the ownership. The amount of revenue and associated costs can be measured reliably. Amounts disclosed as revenue are inclusive of excise duty and net of GST, returns, trade discounts and volume rebates.

Incentives on exports are recognized in books after due consideration of certainty of utilization/ receipt of such incentives.

II. Sale of Services

Revenue from sale of services is recognized as per the terms of the contract with customers based on the stage of completion when the outcome of the transactions involving rendering of services can be estimated reliably.

III. Interest Income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the asset's net carrying amount on initial recognition. Interest income is included in other income in the statement of profit and loss.

IV. Dividends

Dividend income is recognized when the Company's right to receive dividend is established, and is included in other income in the statement of profit and loss.

V. Revenue from electricity generation

Revenue from electricity generation is recognized on the basis of electricity units generated and invoice raised on monthly basis.

i. Employee Benefits

I. Short Term Employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized 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.

II. Defined contribution plans

Employees benefits in the form of the Company's contribution to Provident Fund, Pension scheme, Superannuation Fund, National Pension scheme and Employees State Insurance are defined contribution schemes. The Company recognizes contribution payable to these schemes as an expense, when an employee renders the related service.

If the contribution payable exceeds contribution already paid, the deficit payable is recognized as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the end of the reporting period, the Company recognize that excess as an asset (prepaid expense) to the extent that the prepayment will lead to reduction in future payments or a cash refund.

III. Defined benefit plans

Retirement benefits in the form of gratuity are considered as defined benefit plans. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The company provides for its gratuity liability based on actuarial valuation of the gratuity liability as at the Balance Sheet date, based on Projected Unit Credit Method, carried out by an independent actuary. The company contributes to the gratuity fund, which are recognized as plan assets. The defined benefit obligation as reduced by fair value of plan assets is recognized in the Balance Sheet.

When the calculation results in a potential asset for the company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in Other Comprehensive Income. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognized in statement of profit & loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in statement of profit & loss. The company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

IV. Other long term employee benefits

Employee benefits in the form of long term compensated absences are considered as long term employee benefits. The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurement are recognized in statement of profit & loss in the period in which they arise.

The liability for long term compensated absences are provided based on actuarial valuation as at the Balance Sheet date, based on Projected Unit Credit Method, carried out by an independent actuary.

j. Foreign currency transactions

The financial statements are presented in Indian rupee, which is the company's functional and presentation currency. A company's functional currency is that of the primary economic environment in which the company operates.

Foreign currency transactions are translated into the functional currency using the exchange rate at the date of the transaction. Foreign exchange gains/losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognized in the statement of profit and loss.

k. Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

l. Income Tax

Income tax expense comprises current and deferred tax. It is recognized in statement of profit & loss except to the extent that it relates to items recognized directly in equity or in Other Comprehensive Income

I. Current Tax

Current tax comprises the expected tax payable on the taxable income for the year after taking credit of the benefits available under the Income Tax Act and any adjustment to the tax payable or receivable in respect of 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:

a) has a legally enforceable right to set off the recognized amounts; and

b) intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

II. Deferred Tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences. In contrast, deferred tax assets are only recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized.

The carrying value of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is measured at the tax rates that are expected to apply in the period when the liability is settled or the asset is realized based on the tax rates and tax laws that have been enacted or substantially enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to cover or settle the carrying value of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

i) The entity has a legally enforceable right to set off current tax assets against current tax liabilities;

and

ii) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability.

m. Segment Reporting

An operating segment is defined as a component of the entity that represents business activities from which it earns revenues and incurs expenses and for which discrete

financial information is available. The operating segments are based on the company's internal reporting structure and the manner in which operating results are reviewed by the Chief Operating Decision Maker (CODM).

n. Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and short-term deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

o. Statement of cash flow

Cash flow statements are prepared in accordance with "Indirect Method" as explained in the Ind AS on Statement of Cash Flows (Ind AS - 7). The cash flows from operating, financing and investing activity of the company are segregated.

p. Lease

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

I. Finance Lease

Finance Lease that transfer substantially all of the risks and benefits incidental to ownership of the leased item, are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and a reduction in the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the statement of profit and loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

II. Operating Lease

Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by lessor are classified as operating leases. Payments under operating lease are recorded in the Statement of Profit and Loss on a straight line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

q. Earning per share

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

For the purpose of calculating diluted earning per Share, the net profit or loss for the period attributable to Equity Shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

r. Research and Development Expenses

Research and Development Expenses of revenue nature are charged to the Statement of Profit and Loss.

Notes To Standalone Financial Statements for the year ended 31st March, 2018

4. PROPERTY, PLANT & EQUIPMENT

(Rs. In lacs)

	Particulars	Land-Freehold	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Power Gen. Plant	Total
Deemed cost									
	As at April 01, 2016	**2,867.64**	**6,845.78**	**2,626.50**	**102.64**	**110.53**	**240.43**	**340.74**	**13,134.26**
	Additions		379.89	655.72	46.81	55.56	91.57	610.00	1,839.55
	Disposals	-0.24	-3.72	-5.79	-0.54	-13.10	-1.05	-	-24.44
	Balance as at March 31, 2017	**2,867.40**	**7,221.95**	**3,276.43**	**148.91**	**152.99**	**330.95**	**950.74**	**14,949.37**
	Balance at April 1, 2017	**2,867.40**	**7,221.95**	**3,276.43**	**148.91**	**152.99**	**330.95**	**950.74**	**14,949.37**
	Additions	149.63	58.20	332.13	21.69	19.60	101.09	-	682.33
	Disposals	-	-	-1.33	-0.02	-7.61	-1.18	-	-10.14
	Balance as at March 31, 2018	**3,017.03**	**7,280.15**	**3,607.23**	**170.57**	**164.97**	**430.86**	**950.74**	**15,621.56**
Accumulated Depreciation									
	Depreciation for the year	-	621.99	547.92	36.01	39.87	128.86	75.77	1450.42
	Disposals	-	-0.17	-0.09	-0.11	-3.51	-0.07	-	-3.95
	Balance as at March 31, 2017	**-**	**621.82**	**547.83**	**35.90**	**36.36**	**128.79**	**75.77**	**1,446.47**
	Depreciation for the year	-	575.93	518.51	34.56	35.33	114.51	101.22	1,380.06
	Disposals	-	-	-0.28	-0.01	-0.44	-0.04	-	-0.77
	Balance as at March 31, 2018	**-**	**1,197.75**	**1,066.06**	**70.46**	**71.24**	**243.26**	**176.99**	**2,825.76**
Net carrying value									
	Balance at April 1, 2016	**2,867.64**	**6,845.78**	**2,626.50**	**102.64**	**110.53**	**240.43**	**340.74**	**13,134.26**
	Balance at March 31, 2017	**2,867.40**	**6,600.13**	**2,728.60**	**113.01**	**116.63**	**202.16**	**874.97**	**13,502.90**
	Balance at March 31, 2018	**3,017.03**	**6,082.40**	**2,541.17**	**100.11**	**93.73**	**187.60**	**773.75**	**12,795.80**

Notes:

a. On transition date, as per Para D7AA of IND AS 101, the company has elected to continue with carrying value of all of it's property, plant and equipment as deemed cost. Hence net carrying value under previous GAAP as on 31st March 2016 is recognised as Deemed cost as on 01-04-2016

b. Refer note 17(a) for information on movable assets which are pledged as security by the company to banks

5. CAPITAL WORK IN PROGRESS

(Rs. In lacs)

	As at April 01, 2016	**5.18**
	Additions	700.47
	Less: Amount capitalized in Property, Plant & Equipment	(661.48)
	Balance at March 31, 2017	**44.17**
	As at April 01, 2017	**44.17**
	Additions	173.47
	Less: Amount capitalized in Property, Plant & Equipment	(209.96)
	Balance at March 31, 2018	**7.68**

6. OTHER INTANGIBLE ASSETS (Rs. In lacs)

	Particulars	Computer Software
	Deemed Cost	
	As at April 01, 2016	**200.45**
	Additions	114.67
	Disposals	-
	Balance as at March 31, 2017	**315.12**
	As at April 1, 2017	**315.12**
	Additions	57.45
	Disposals	-
	Balance as at March 31, 2018	**372.57**
	Amortization	
	Charge for the year	34.38
	Disposals	-
	Balance as at March 31, 2017	**34.38**
	Charge for the year	40.56
	Disposals	-
	Balance as at March 31, 2018	**74.94**
	Net Carrying Value	
	Balance as at April 1, 2016	**200.45**
	Balance as at March 31, 2017	**280.74**
	Balance as at March 31, 2018	**297.63**

a On transition date, as per Para D7AA of IND AS 101, the company has elected to continue with carrying value of all of it's other intangible assets as deemed cost. Hence net carrying value under previous GAAP as on 31st March 2016 is recognised as Deemed cost as on 01-04-2016

Notes To Standalone Financial Statements for the year ended 31st March, 2018

7. INVESTMENTS **(Rs. In lacs)**

		As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
		No. of Shares/Units	Amount	No. of Shares/Units	Amount	No. of Shares/Units	Amount
	NON CURRENT						
	Investment in Equity Instruments						
a.	**Quoted- At Fair Value through Profit & Loss**						
	Equity PMS-Shares of Listed Companies	PMS	301.42	PMS	252.22	PMS	192.04
	PMS Advisor-Accuracap Consultancy Services Private Limited						
b.	**Unquoted- At Fair Value through Profit & Loss**						
	Units of India Build Out Fund-Venture Captial Fund	1,177.16	17.39	1,177.16	17.39	2,999.12	44.30
	Units of Edelweiss Alternative Equity Scheme	645,412.39	132.59	645,412.39	120.00	658,311.15	95.75
c.	**Unquoted-Investment in Subsidiary at cost**						
	Shares of M/s Dhanuka Agri-solutions Pvt. Ltd.	1,500.00	0.09	1,500.00	0.09	1,500.00	0.09
	Investment in debentures or bonds						
a.	**Quoted- At Fair Value through Profit & Loss**						
	NCD - Face Value of Rs. 100000/- each in Edelweiss Asset Reconstruction company Ltd	500.00	595.80	500.00	540.90	-	-
	NCD - Face Value of Rs. 100000/- each in IIFL Wealth Finance Limited	483.00	509.18	100.00	107.29	-	-
	NCD - Face Value of Rs. 100000/- each in ECAP Equities Limited	978.00	1,048.02	-	-	-	-
b.	**Quoted- At Amortised Cost**						
	7.35% Bonds - Face Value of Rs. 1000/- each in Indian Railway Finance Corporation Limited	5,878.00	58.78	5,878.00	58.78	5,878.00	58.78
	7.28% Bonds - Face Value of Rs. 1000/- each in Indian Railway Finance Corporation Limited	30,200.00	302.00	30,200.00	302.00	30,200.00	302.00
	7.35% Bonds - Face Value of Rs. 1000/- each in National Highway Authority of India	14,285.00	142.85	14,285.00	142.85	14,285.00	142.85
	7.39% Bonds - Face Value of Rs. 1000/- each in National Highway Authority of India	7,709.00	77.09	7,709.00	77.09	7,709.00	77.09
	7.49% Bonds - Face Value of Rs. 1000/- each in Indian Renewable Energy Development Agency Ltd	34,060.00	340.60	34,060.00	340.60	34,060.00	340.60
	7.39% Bonds - Face Value of Rs. 1000/- each in Housing and Urban Development Corp Ltd	7,007.00	70.07	7,007.00	70.07	7,007.00	70.07
	7.35% Bonds - Face Value of Rs. 1000/- each in National Bank for Agriculture and Rural Development	5,010.00	50.10	5,010.00	50.10	5,010.00	50.10
	7.11% Bonds - Face Value of Rs. 1000/- each inPower Finance Corporation Limited	2,567.00	25.67	2,567.00	25.67	2,567.00	25.67
	18.50% NCD - Face Value of Rs. 1000000/- each ofManyata Developers Private Limited	20.00	128.85	20.00	204.59	20.00	211.03
c.	**Unquoted- At Amortised Cost**						
	Units of Annuties In Senior Secured Estate Fund	491,792.54	491.79	500,000.00	500.00	500,000.00	500.00
	Units of IIFL Real Estate Fund-Series 2	47,09,658.52	386.63	47,09,658.52	500.00	47,09,658.52	500.00
	Units of Religare Credit Investment Trust	38.31	67.46	181.43	276.64	368.20	475.48
	Units of ICICI Prudential Real Estate	146,799.80	148.86	146,799.80	148.86	146,799.80	148.86
	Units of IIFL Real Estate Fund-Series 3	1,850,000.00	110.12	1,850,000.00	171.01	PMS	182.00
d.	**Unquoted- At Fair Value through Profit & Loss**						
	Units of UTI Structured Debt Opportunities Fund	12,587,261.04	126.04	-	-	-	-

Notes To Standalone Financial Statements for the year ended 31st March, 2018

(Rs. In lacs)

		As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
		No. of Shares/Units	Amount	No. of Shares/Units	Amount	No. of Shares/Units	Amount
Investment in Mutual Funds							
a.	**Quoted- At Fair Value through Profit & Loss**						
	Units of Reliance Fixed Horizon Fund-XXX-Series 13	2,500,000.00	295.23	2,500,000.00	275.79	2,500,000.00	251.68
	Units of Reliance Fixed Horizon Fund-XXX-Series 17	1,500,000.00	176.42	1,500,000.00	164.64	1,500,000.00	150.00
	Units of UTI Fixed Term Income Fund Series-1182 Days	3,000,000.00	355.08	3,000,000.00	332.01	3,000,000.00	302.89
	Units of HDFC FMP 1161 Days Series 35	2,000,000.00	245.51	2,000,000.00	226.28	2,000,000.00	202.25
	Units of Reliance Fixed Horizon Fund-XXXV-Series 13	3,000,000.00	304.79	-	-	-	-
	Units of UTI Fixed Term Income Fund Series-1113 Days	3,000,000.00	310.04	-	-	-	-
	Units of UTI Fixed Term Income Fund Series-1204 Days	3,000,000.00	305.07	-	-	-	-
	Units of ICICI Prudential Fixed Maturity Plan Series 82-1203 Days	3,000,000.00	303.84	-	-	-	-
	Units of ICICI Prudential Fixed Maturity Plan Series 82-1215 Days	3,000,000.00	304.37	-	-	-	-
	Units of Aditya Birla Sun life Fixed Term Plan Series PB-1190 Days	3,000,000.00	304.46	-	-	-	-
	Units of Aditya Birla Sun life Fixed Term Plan Series PC-1169 Days	3,000,000.00	304.45	-	-	-	-
	Units of DSP Blackrock FMP Series 219-40M	3,000,000.00	304.48	-	-	-	-
	Units of DSP Blackrock FMP Series 220-40M	3,000,000.00	303.52	-	-	-	-
	Total Non Current Investment		**8,948.66**		**4,904.87**		**4,323.53**
	Aggregate amount of quoted investments and Market Value thereof		**7,467.68**		**3,170.88**		**2,377.05**
	Aggregate amount of unquoted investments		**1,480.98**		**1,733.99**		**1,946.48**
	Aggregate amount of impairment in value of investments		-		-		-
	CURRENT						
	Investment in Equity Instruments						
a.	**Unquoted- At Fair Value through Profit & Loss**						
	Units of Edelweiss Alpha Fund	100,000.00	1,028.49	-	-	-	-
	Investment in debentures or bonds						
a.	**Quoted- At Amortised Cost**						
	Units of ECL Finance Limited	-	-	-	-	210.00	293.40
	Investment in Mutual Funds						

Notes To Standalone Financial Statements for the year ended 31st March, 2018

(Rs. In lacs)

		As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
		No. of Shares/Units	Amount	No. of Shares/Units	Amount	No. of hares/Units	Amount
a.	**Quoted- At Fair Value through Profit & Loss**						
	Units of UTI Liquid Cash Plan-Dividend Reinvestment	78,556.02	800.84	170,220.73	1,735.31	144,787.60	1,476.03
	Units of UTI Fixed Income Interval Fund-III-QIP-Growth	-	-	-	-	990,555.06	201.81
	Units of UTI Spread Fund-Dividend Reinvestment / Payout	6,003,437.24	1,000.83	-	-	1,294,098.12	209.24
	Units of Edelweiss Arbitrage Fund-Dividend Payout	2,426,988.11	297.22	-	-	1,928,212.64	199.16
	Units of SBI Arbitrage Opportunities Fund-Dividend Payout	2,257,132.54	300.86	-	-	759,941.94	99.67
	Units of ICICI Pru Ultra Short Term-Dividend Reinvestment	-	-	-	-	2,003,258.15	202.46
	Units of ICICI Pru Saving Fund-Dividend Reinvestment	-	-	-	-	100,978.63	101.29
	Units of ICICI Pru Equity Arbitrage-Dividend Reinvestment/Payout	2,180,771.41	297.46	-	-	759,194.02	104.39
	Units of ICICI Pru Regular Savings Fund-Dividend Payout	-	-	-	-	3,859,476.46	398.93
	Units of HDFC Arbitrage Fund-Dividend Reinvestment / Payout	9,493,709.88	999.12	-	-	1,001,870.35	104.57
	Units of Aditya Birla Sun Life Enhanced Arb Fund-Dividend Payout	5,733,316.47	997.31	-	-	1,839,469.50	199.27
	Units of Kotak Equity Arbitrage Fund-Dividend Payout-Regular Plan	2,796,915.94	299.07	-	-	1,859,461.87	199.88
	Units of Kotak Income Opp. Fund-Dividend Payout	-	-	-	-	1,965,273.62	201.69
	Units of IDFC Arbitrage Fund-Dividend Payout	2,368,695.32	299.88	-	-	1,592,014.46	200.69
	Units of Reliance Arbitrage Advantage Fund-Dividend Payout	8,845,134.20	1,002.89	-	-	1,904,453.57	199.93
	Units of Reliance Medium Term Fund-Dividend Reinvestment	-	-	-	-	1,188,996.35	203.27
	Units of Reliance Quarterly Interval Fund-Growth	-	-	-	-	1,463,635.96	303.68
	Units of Reliance Banking & PSU Debt Fund-Growth	2,029,336.08	255.89	-	-	-	-
	Units of Axis Enhanced Arbitrage Fund-Dividend Payout	5,733,316.47	601.19	-	-	-	-
	Units of HDFC Medium Term Opportunities Fund-Growth	1,319,560.64	256.10	-	-	-	-
	Units of Aditya Birla Sun Life Short Term Fund-Growth	386,298.46	256.68	-	-	-	-
	Units of Kotak Equity Arbitrage Fund-Dividend Payout-Direct Plan	2,735,379.40	300.66	-	-	-	-
	Units of IDFC Corporate Bond Fund-Growth	2,154,708.04	256.16	-	-	-	-
	Total Current Investment		**9,250.65**		**1,735.31**		**4,899.36**
	Aggregate amount of quoted investments and Market Value thereof		**8,222.16**		**1,735.31**		**4,899.36**
	Aggregate amount of unquoted investments		**1,028.49**		**-**		-
	Aggregate amount of impairment in value of investments		**-**		**-**		-

Notes To Standalone Financial Statements for the year ended 31st March, 2018

8. LOANS

(Rs. In lacs)

	Unsecured, Considered good unless otherwise stated	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
	Non Current			
	Loans to employees	5.62	9.27	8.70
	Loans to Subsidiary	11.56	5.10	5.10
	Security Deposits	374.97	352.65	330.90
		392.15	**367.02**	**344.70**
	Current			
	Loans to employees	71.91	66.77	61.59
	Security Deposits	8.72	20.64	14.50
	Loans to corporates and others	3,200.00	600.00	1,950.00
		3,280.63	**687.41**	**2,026.09**

9. OTHER FINANCIAL ASSETS

	Unsecured, Considered good unless otherwise stated			
	Non Current			
	Fixed Deposits With Banks*	101.31	95.03	88.67
	Claim Receivable	32.88	32.88	32.89
		134.19	**127.91**	**121.56**
	Current			
	Income Accrued On Investment	53.22	78.91	66.24
	Claim Receivable	416.24	470.12	408.88
		469.46	**549.03**	**475.12**
	Footnotes :			
a.	*Includes interest accured thereon			

10. INVENTORIES

	Raw materials*	6,570.93	6,076.57	3,678.71
	Packing materials**	1,674.87	1,754.72	1,330.93
	Work in Progress	674.50	613.89	553.42
	Finished Goods***	9,144.17	14,387.86	8,995.48
	Stock in Trade	2,321.70	3,555.41	2,663.35
	Store and spares	112.40	58.66	34.51
	TOTAL	**20,498.57**	**26,447.11**	**17,256.40**
	Footnotes :			
a.	The mode of valuation of inventories has been stated in note no 2(f)			
b.	Refer note 17(a) for information on Inventories pledged as security by the company to banks			
c.	*: Stock of Raw Materials includes value of goods in transit of Rs. 530.86 lacs [March 31, 2017 : Rs. 101.68 lacs and March 31, 2016 : Rs. 454.14 lacs]			
d.	**: Stock of Packing Materials includes value of goods in transit of Rs. 46.47 lacs [March 31,2017 : Rs. 15.59 lacs and March 31, 2016 : Rs. 31.60 lacs]			
e.	***: Stock of Finished Goods includes value of goods in transit of Rs. 22.30 lacs [March 31,2017 : Rs. 69.84 lacs and March 31, 2016 : Rs. 68.32 lacs]			

11. TRADE RECEIVABLES

(Rs. In lacs)

		As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
	Unsecured, Considered good*	20,796.75	18,384.39	18,537.39
	Doubtful	146.33	44.77	38.23
	Less: Allowance for doubtful debts (expected credit loss allowance)	(146.33)	(44.77)	(38.23)
	TOTAL	**20,796.75**	**18,384.39**	**18,537.39**
	Footnotes :			
a.	*Of the above, trade receivable from related parties are given below.			
	Unsecured, considered good	**0.47**	-	-
b.	Refer note 17(a) for information on Trade Receiable pledged as security by the company to banks			
c.	Refer note 42(a) for information on ECL allownace for trade receivables			

12. CASH & CASH EQUIVALENTS

	Cash & Cash Equivalents			
	Balance With Banks In Current Account	7.84	86.22	7.31
	Cash on Hand	46.37	41.03	83.98
	Cheques / Drafts In Hand	2.50	128.30	-
	Fixed Deposits With Banks*	1,000.15	96.63	-
		1,056.86	**352.18**	**91.29**
	Bank Balance other than Cash and Cash Equivalents			
	Balance With Banks In Unpaid Equity Dividend Account**	83.34	82.12	125.06
		83.34	**82.12**	**125.06**
	Footnotes :			
a.	*Includes interest accured thereon			
b.	**Earmarked against the corresponding unclaimed dividend liabilities as shown under the head "Other financial liabilities"			

13. CURRENT TAX ASSETS

	Current Tax Assets (Net)			
	Advance Income Tax (Net of Provision for Income Tax)	257.43	233.83	317.48
		257.43	**233.83**	**317.48**

14. OTHER ASSETS

	Unsecured, Considered good unless otherwise stated			
	Non Current			
	Capital Advance	1,792.57	1,810.70	2,056.82
	Receivables from Govt. Authorities	72.85	11.85	15.98
	Deposits with Public Authorities	59.25	27.54	24.80
	Prepaid expenses	15.13	21.38	8.05
	Prepaid Lease Rental	18.31	29.45	36.11
	Advances To Vendor	0.20	4.04	3.97
	Other Advances	13.26	11.92	20.31
		1,971.57	**1,916.88**	**2,166.04**
	Current			
	Prepaid expenses	158.35	169.97	95.12
	Prepaid Lease Rental	16.02	16.65	14.23
	Advances To Vendor	953.47	407.71	762.08
	Receivables from Govt. Authorities	835.45	1,180.43	522.09
	DEPB Licence In Stock	-	24.83	148.12
	Other Advances*	61.98	65.12	58.85
		2,025.27	**1,864.71**	**1,600.49**
	Footnotes :			

a. *Includes advances given to employees

Notes To Standalone Financial Statements for the year ended 31st March, 2018

15. EQUITY SHARE CAPITAL

(Rs. In lacs)

		As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
	Authorized Share capital			
	14,21,00,000 equity shares of Rs.2/- each	2,842.00	2,842.00	2,842.00
	Issued, subscribed and fully paid up			
	4,90,78,324 equity shares of Rs.2/- each	981.57	981.57	1,000.39
	[Last Year 4,90,78,324 equity shares of Rs.2/- each]	**981.57**	**981.57**	**1,000.39**
	Notes:			

		As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
		No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
a.	**Reconciliation of the shares outstanding at the beginning and at the end of the year**						
	Opening	49,078,324	981.57	50,019,500	1,000.39	50,019,500	1,000.39
	Issued during the period	-	-	-	-	-	-
	Extinguished during the period*	-	-	941,176	18.82	-	-
	Closing at the end of the year	**49,078,324**	**981.57**	**49,078,324**	**981.57**	**50,019,500**	**1,000.39**

*Pursuant to the approval of the Board of Directors on November 10, 2016 and Shareholders of the Company through postal ballot, results of which were declared on January 2, 2017, the Company bought back 9,41,176 equity shares (representing 1.88% of the equity capital) at a price of Rs. 850/- per equity share aggregating to Rs. 80 Crores through the tender offer route, in terms of Public Announcement dated January 4, 2017. After extinguishment of 9,41,176 Equity Shares on March 27, 2017, the Issued, Subscribed and Paid-up Equity Capital of the Company reduced from 5,00,19,500 equity shares to 490,78,324 equity shares.

b.	**Terms/Rights attached to Issued Equity Shares**
1	The Company has only one class of Equity Shares having at par value of Rs.2/- per share. Each Equity share is entitled to one vote.
2	In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts.
3	The distribution will be in proportion to the number of Equity Shares held by the shareholders.

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

(Rs. In lacs)

		As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Name of Shareholder	No. of Shares (In Lacs)	% holding	No. of Shares (In Lacs)	% holding	No. of Shares (In Lacs)	% holding
	M/s. Triveni Trust	298.46	60.81%	298.46	60.81%	303.40	60.66%
	M/s. Pushpa Dhanuka Trust	53.29	10.86%	53.29	10.86%	54.17	10.83%
	M/s. DSP Blackrock Trustee Co. Pvt Ltd	35.89	7.31%	26.70	5.44%	0.00	0.00%
	M/s. HDFC Trustee Company Limited	15.30	3.12%	16.72	3.41%	27.00	5.40%

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

d.	**The Company does not have any holding / ultimate holding company**

Notes To Standalone Financial Statements for the year ended 31st March, 2018

16. OTHER EQUITY

(Rs. In lacs)

	Reserves and Surplus	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
	Capital Reserve			
	Balance at the beginning of the Financial year	95.47	95.47	95.47
	Addition during the Financial year	-	-	-
	Deduction during the Financial year	-	-	-
		95.47	**95.47**	**95.47**
	Capital Reserve includes profit on merger of entities			
	Capital Redemption Reserve			
	Balance at the beginning of the Financial year	18.82	-	-
	Addition during the Financial year	-	18.82	-
	Deduction during the Financial year	-	-	-
		18.82	**18.82**	**-**
	Capital Redemption Reserve created on redemption of Equity shares			
	Securities premium reserve			
	Balance at the beginning of the Financial year	-	3,308.25	3,308.25
	Addition during the Financial year	-	-	-
	Less: Buy back of shares	-	(3,308.25)	-
		-	**-**	**3,308.25**
	Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.			
	General Reserve			
	Balance at the beginning of the Financial year	2,455.03	5,952.78	5,952.78
	Add: Transferred during the year	-	1,194.00	-
	Less: Buy back of shares	-	(4,691.75)	-
		2,455.03	**2,455.03**	**5,952.78**
	Retained Earnings			
	Balance at the beginning of the Financial year	48,620.27	37,709.38	37,709.38
	Addition during the Financial year	12,617.77	12,187.40	-
	Add/ (Less):			
	Remeasurements of the defined benefit plans through OCI	82.77	(82.51)	-
	Dividend paid including Dividend Distribution Tax (DDT)	(1,535.82)	-	-
	Transfer to General Reserves	-	(1,194.00)	-
		59,784.99	**48,620.27**	**37,709.38**
	Total	**62,354.32**	**51,189.59**	**47,065.87**
	Actuarial gains and losses for defined benefit plans are recognized through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.			

Detail of Dividend Proposed and Paid

(Rs. In lacs)

		As at March 31, 2018	As at March 31, 2017
a.)	**Dividend Paid**		
	Final Dividend Declared for F.Y. 2016-17 [Dividend Paid Rs. 0.60/- per share]	294.47	-
	Dividend Distribution Tax	59.96	-
	Interim Dividend Declared for F.Y. 2017-18 [Dividend Paid Rs. 2.00/- per share]	981.57	-
	Dividend Distribution Tax	199.82	-
		1,535.82	**-**
b.)	**Proposed Dividend**		
	After the reporting date, the Board of Directors of the Company has recommended a final dividend of Rs 3.50 per Equity share amounting to Rs 1717.74 Lac excluding applicable taxes for the financial year 2017-18.		
	The dividend proposed by the Directors are subject to approval at the annual general meeting. The dividend including tax has not been recognised as liability.		

Notes To Standalone Financial Statements for the year ended 31st March, 2018

17. BORROWINGS (CURRENT)

(Rs. In lacs)

		As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
	Secured			
	From Banks-Loan Repayable on Demand			
	Cash Credit limits from Banks	465.51	288.69	765.37
	Over Draft Against Pledge of FDR	6.14	-	4.10
	Buyers Credit availed from Banks	-	500.56	-
		471.65	**789.25**	**769.47**
	Footnotes :			
a.	Loan from Banks are secured by hypothecation of stocks of raw materials, work in process, finished goods, book debts and other movable assets on pari-passu basis and by joint and several gurantee of the Directors of the Company. Loan from Banks are repayable on demand and carried interest @ 8.70% to 9.95% P.A.			

18. TRADE PAYABLES

	Sundry creditors			
	Total outstanding dues of micro and small enterprises	662.61	323.94	790.92
	Other Trade Payables*	7,638.00	5,375.08	5,272.83
		8,300.61	**5,699.02**	**6,063.75**
	Footnotes :			
a.	*Includes amount due to related parties amounting to Rs. 575.46 Lacs (March 31, 2017 Rs. 309.80 Lacs, April 1, 2016 Rs. 333.18 Lacs)			
b.	Refer note 40 for information on toal outstanding dues of micro enterprises and small enterprises			

19. OTHER FINANCIAL LIABILITIES

	Non Current			
	Security Received from Customers*	1,457.39	1,656.61	1,707.58
	Security Received from Vendor	633.48	633.48	237.49
	Security received from Staff	3.51	7.30	8.41
	Payable for Capital purchases	247.22	243.93	293.57
	Other Payable	9.81	104.46	15.60
		2,351.41	**2,645.78**	**2,262.65**
	Current			
	Unclaimed Dividend**	83.34	82.12	125.06
	Payable for Capital purchases	114.00	80.56	37.92
	Other Payable***	3,883.57	4,164.17	3,884.08
		4,080.91	**4,326.85**	**4,047.06**
	Footnotes :			
a.	*Security Received from Customers includes Security Received from Retailers and C&F Agents			
b.	**There are no outstanding dues to be paid to Investor Education & Protection Fund.			
c.	***Other payables includes Employee related costs and provision of Expenses and discounts and rebates on sale.			

20. PROVISIONS

	Provision For Employee Benefits			
	Non Current			
	Provision for Gratuity	103.72	191.92	347.67
	Provision for Compensated absences	74.60	445.80	-
		178.32	**637.72**	**347.67**
	Current			
	Provision for Compensated absences	24.78	148.41	432.23
		24.78	**148.41**	**432.23**
	Footnotes :			
a.	Refer note 35(b) for information on Defined benefit plan-Gratuity			

21. DEFERRED TAX LIABILITIES (NET)

(Rs. In lacs)

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Deffered Tax Liabilities	1,387.53	1,279.99	868.22
Deffered Tax Assets	(54.04)	(20.72)	(20.27)
	1,333.49	**1,259.27**	**847.95**

(Rs. In lacs)

	As at April 1, 2017	Recognized in P&L	As at March 31, 2018
Deferred tax (assets)/ liabilities are attributable to the following items;			
Deferred Tax Liabilities			
Property, plant, equipment and Intangible assets	1,202.86	(0.69)	1,202.17
Investments	77.12	108.23	185.36
Total-(A)	**1,279.99**	**107.54**	**1,387.53**
Deferred Tax Assets			
Amalgamation Expenses	(5.22)	1.82	(3.40)
Trade Receiable	(15.49)	(35.15)	(50.64)
Total-(B)	**(20.72)**	**(33.32)**	**(54.04)**
Net Deferred Tax Liability (A+B)	**1,259.27**	**74.22**	**1,333.49**

(Rs. In lacs)

	As at April 1, 2016	Recognized in P&L	As at March 31, 2017
Deferred tax (assets)/ liabilities are attributable to the following items;			
Deferred Tax Liabilities			
Property, plant and equipment	865.27	337.59	1,202.86
Investments	2.95	74.17	77.12
Total-(A)	**868.22**	**411.76**	**1,279.99**
Deferred Tax Assets			
Amalgamation Expenses	(7.04)	1.82	(5.22)
Trade Receiable	(13.23)	(2.27)	(15.49)
Total-(B)	**(20.27)**	**(0.44)**	**(20.72)**
Net Deferred Tax Liability (A+B)	**847.95**	**411.32**	**1,259.27**

22. OTHER LIABILITIES

(Rs. In lacs)

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Non Current			
Advances from customers	7.93	15.04	18.41
	7.93	**15.04**	**18.41**
Current			
Advances from customers	1,131.89	1,644.85	1,638.31
Statutory dues payable	1,049.76	2,143.23	1,130.64
	2,181.65	**3,788.08**	**2,768.95**

Notes To Standalone Financial Statements for the year ended 31st March, 2018

23. REVENUE FROM OPERATION

(Rs. In lacs)

	For the year ended March 31, 2018	For the year ended March 31, 2017
Sales of products		
Finished Goods		
-Agrochemical	81,160.36	82,713.19
Traded Goods		
-Agrochemical	15,442.29	14,305.55
(A)	**96,602.65**	**97,018.74**
Other operating revenues		
Income From Power Generation Plant	168.30	127.70
Other Sales	109.28	140.28
Tax Incentive from J&K Govt.	744.19	2,790.39
TOTAL (B)	**1,021.77**	**3,058.37**
Total Revenue (A)+(B)	**97,624.42**	**100,077.11**

24. OTHER INCOME

Interest Income on Financial Assets at amortised cost	366.22	747.00
Dividend Income	338.87	268.60
Net Gain on sale of investments	46.56	128.01
Net Gain on Investments measured at fair value through profit or loss	314.49	215.79
Other Non-Operating Income		
Rent Received	2.64	2.64
Miscellaneous Receipts	400.43	78.62
Job Work Income	-	25.85
Net Gain On Foreign Currency Transactions	98.69	235.65
Net Profit on disposal of property, plant and equipment	4.46	38.21
Liabilities No Longer Required, Written Back	30.70	10.94
	1,603.06	**1,751.31**

25. COST OF MATERIALS CONSUMED

Raw Materials		
Inventories at the beginning of the financial year	6,076.57	3,678.71
Add : Purchases	33,925.10	41,079.89
Less : Inventories at the end of the finacial year	(6,570.93)	(6,076.57)
Cost of Raw Material Consumed (A)	**33,430.74**	**38,682.03**
Packing Materials		
Inventories at the beginning of the financial year	1,754.72	1,330.93
Add : Purchases	5,225.69	6,760.63
Less : Inventories at the end of the finacial year	(1,674.87)	(1,754.72)
Cost of Packing Materials Consumed (B)	**5,305.54**	**6,336.84**
(A)+(B)	**38,736.28**	**45,018.87**

26. PURCHASE OF STOCK IN TRADE

Agrochemical	11,070.33	11,194.13
	11,070.33	**11,194.13**

27. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN -TRADE AND WORK-IN-PROGRESS

Inventories at the end of the period		
Stock in Trade	2,321.70	3,555.41
Work in Progress	674.50	613.89
Finished Goods	9,144.17	14,387.86
	12,140.37	**18,557.16**
Inventories at the beginning of the period		
Stock in Trade	3,555.41	2,663.35
Work in Progress	613.89	553.42
Finished Goods	14,387.86	8,995.48
	18,557.16	**12,212.25**
(Increase)/Decrease in Inventories	**6,416.79**	**(6,344.91)**

Notes To Standalone Financial Statements for the year ended 31st March, 2018

28. EMPLOYEES BENEFIT EXPENSES

(Rs. In lacs)

		For the year ended March 31, 2018	For the year ended March 31, 2017
	Salaries, wages and bonus	9,410.34	8,598.89
	Contribution to Provident & Other funds	453.16	422.62
	Gratuity	186.70	109.41
	Compensated absences	339.13	309.91
	Staff Welfare Expenses	257.05	249.71
		10,646.38	**9,690.54**
	Footnotes :		
a.	Refer note 35(a) for information on Defined Contribution plan		
b.	Refer note 35(b) for information on Defined benefit plan-Gratuity		
c.	Refer note 35(c) for information on Other employee benefits-Compensated absences		

29. FINANCE COST

	Interest on bank overdraft & working capital limits	9.59	12.12
	Interest on Security Deposits	77.75	86.41
		87.34	**98.53**

30. DEPRECIATION AND AMORTIZATION EXPENSES

	Depreciation on Property, Plant & Equipment	1,380.06	1,450.42
	Amortization of Intangible Assets	40.56	34.38
		1,420.62	**1,484.80**

31. OTHER EXPENSES

	Power, fuel, electricity & water charges	202.49	193.51
	Consumable Stores	74.62	94.77
	Packing Charges	143.25	168.28
	Repair & Maintenance, Machinery	107.10	93.97
	Repair & Maintenance, Factory Building	74.10	114.28
	Incineration Charges	7.44	2.01
	Security Charges	72.28	55.20
	Laboratory expenses	24.06	23.95
	ISI Marking Fees	7.94	10.11
	R&D expenses	180.13	207.62
	Travelling and conveyance	1,239.98	1,026.38
	Communication Expenses	141.68	209.56
	Postage and Telegram	43.12	35.18
	Printing and Stationery	57.78	65.46
	Office and Godown Rent	551.51	514.49
	Rates and Taxes	65.54	85.68
	Insurance Charges	63.66	48.90
	Legal and Professional Charges	285.51	333.33
	Repair & Maintenance-Building	199.16	220.11
	Repair & maintenance-Other	143.55	158.73
	Security Charges-Offices	23.21	34.38
	Electricity & Water Charges	67.34	64.25
	Books and Periodicals	2.50	1.17
	Recruitment Expenses	51.85	29.05
	Fees and Subscription	40.89	22.75
	Charity and Donation	6.48	2.46
	Bank Charges	18.07	10.97
	Miscellaneous Expenses	12.46	13.28
	Meeting Fees	14.38	14.84
	Payment To Auditors	15.20	19.30
	Vehicles Hiring & Maintenance	1,288.88	1,073.91
	Derivative and Forward Premium	-	14.62
	CSR Expenses	294.21	265.55
	Education and Seminar	643.49	435.98
	Advertisement and Publicity	1,011.04	878.22
	Business Promotion Expenses	100.01	97.50
	Bad Debts	127.64	32.00

(Rs. In lacs)

		For the year ended March 31, 2018	For the year ended March 31, 2017
	Freight & Cartage on STV & Sales	2,996.91	2,754.14
	Field Assistant Expenses	1,311.87	1,347.67
	C&F Commission	1,076.69	1,015.93
		12,788.02	**11,789.49**
a.	**Payment to Auditors**		
	Statutory Auditors		
	Statutory Audit Fees	7.00	7.00
	Taxation Matters	-	5.00
	Cost Auditors		
	Cost audit Fees	2.20	2.00
	Reimbursement of expenses	-	0.20
	Internal Auditors		
	Internal Audit Fees	6.00	5.10
	TOTAL	**15.20**	**19.30**
b.	**Amount Spent on CSR Activities**		
	Gross amount required to be spent by the company during the year	292.77	257.61
	Amount spent during the year		
	Promotion of Education	194.51	152.48
	Preventive Healthcare	61.54	23.21
	Eradicating Hunger	36.00	38.75
	Livelihood Enhancement Projects	1.15	1.00
	Facilities for Senior Citizens	1.00	-
	Environmental Sustainability	-	50.11
		294.20	**265.55**

32. INCOME TAX EXPENSE

a.	**Income tax recognized in profit or loss**		
	Current tax expense		
	Current Tax	4,458.67	4,553.29
	Tax of earlier year provided / written back	(449.87)	2.67
	Deferred tax expense		
	Origination and reversal of temporary differences	74.22	411.32
		4,083.02	**4,967.28**
b.	**Reconciliation of effective tax rate**		
	Profit before tax	16,700.79	17,154.68
	Tax using the Company's domestic tax rate (34.608%)	5,779.81	5,936.89
	Effect of Expenses not deductible for tax purpose	86.85	43.08
	Effect of Income Exempt from tax	(151.28)	(125.70)
	Effect of Concessions and Tax incentives	(1,305.62)	(906.13)
	Effect of Lower tax Rate for the long term capital gain	-	(0.30)
	Other	28.64	(28.55)
	Adjustment in respect of current tax related to earlier years	(449.87)	2.67
	Adjustment in respect of Deferred tax related to earlier years	94.49	45.32
	Income tax Expenses recognised in the statement of profit and loss	**4,083.02**	**4,967.28**

33. OTHER COMPREHENSIVE INCOME

(Rs. In lacs)

	For the year ended March 31, 2018	For the year ended March 31, 2017
(i) Items that will not be reclassified to profit or loss Remeasurements of the defined benefit plans	82.77	(82.51)
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-
(i) Items that will be reclassified to profit or loss	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-
	82.77	**(82.51)**

34. Earning per share (EPS)

Net Profit for Basic & diluted EPS (Rs. In Lacs)	12,617.77	12,187.40
Number of Equity Shares at the beginning of the year	49,078,324.00	5,60,19,500.00
Add: Shares issued during the year	-	-
Less : Shares bought back during the year	-	941,176.00
Total Number of Shares outstanding at the end of the year	49,078,324.00	49,078,324.00
Weighted Average number of Equity Shares outstanding during the year	49,078,324.00	50,001,450.00
Earning Per Share - Basic (Rs.)	**25.71**	**24.37**
Earning per share - Diluted (Rs.)	**25.71**	**24.37**
Face value per share (Rs.)	**2.00**	**2.00**

35. EMPLOYEE BENEFITS

The company participates in defined contribution and benefit schemes, the funded assets of which are held in separately administered funds. For defined contribution schemes the amount charged to the statements of profit & loss is the total of contributions payable in the year

a. Defined Contribution Plan

The Company has Defined Contribution Plans for post-employment benefits namely Provident Fund, Superannuation Fund and National Pension Scheme, which are administered by appropriate Authorities.

The Company contributes to a Government administered Provident Fund, Employees' Deposit Linked Insurance Scheme and Employee Pension Scheme, on behalf of its employees and has no further obligation beyond making its contribution.

The Superannuation Fund and National Pension Scheme applicable to certain employees is a Defined Contribution Plan as the Company contributes to these Schemes which are administered by an Insurance Company and has no further obligation beyond making the payment to the Insurance Company.

The Company contributes to State Plans namely Employees' State Insurance Fund and has no further obligation beyond making the payment to them.

The Company's contributions to the above funds are charged to revenue every year.

The company has recognized an expense of Rs. 452.27 lacs (Previous year Rs. 419.80 lacs) towards the defined contribution plan

b. Defined Benefit Plan

In accordance with the payment of Gratuity Act, 1972, the Company has a Defined Benefit Plan namely "Gratuity Plan" covering its employees. The Gratuity scheme is funded through Group Gratuity-cum-Life Assurance Scheme and the liability for the Gratuity plan is provided based on an actuarial valuation at the year-end. Remeasurement as a result of experience adjustments and changes in actuarial assumptions are recognized in other comprehensive income.

I. Changes in the Present Value of Obligation (Rs. In lacs)

Particulars	For the period ending	
	31-Mar-18	31-Mar-17
Present Value of Obligation as at the beginning	**1293.87**	**1017.53**
Current Service Cost	131.66	82.33
Interest Expense or Cost	87.53	79.27
Re-measurement (or Actuarial) (gain) / loss arising from:		
- change in demographic assumptions	-	(1.85)
- change in financial assumptions	(249.40)	266.36
- experience variance (i.e. Actual experience vs assumptions)	166.65	(100.50)
Past Service Cost	42.06	-
Benefits Paid	(367.88)	(49.26)
Present Value of Obligation as at the end	**1104.49**	**1293.87**

II. Changes in the fair value of plan assets (Rs. In lacs)

Particulars	For the period ending	
	31-Mar-18	31-Mar-17
Fair Value of Plan Assets as at the beginning	**1101.95**	**669.86**
Investment Income	74.55	52.18
Employer's Contribution	192.13	347.67
Benefits Paid	(367.88)	(49.26)
Return on plan assets , excluding amount recognized in net interest expense	0.02	81.50
Fair Value of Plan Assets as at the end	**1000.77**	**1101.95**

III. Assets and Liability (Balance Sheet Position) (Rs. In lacs)

Particulars	As at		
	31-Mar-18	31-Mar-17	01-Apr-16
Present Value of Obligation	1104.49	1293.87	1017.53
Fair Value of Plan Assets	1000.77	1101.95	669.86
Surplus / (Deficit)	**(103.72)**	**(191.92)**	**(347.67)**
Effects of Asset Ceiling, if any	-	-	-
Net Asset / (Liability)	**(103.72)**	**(191.92)**	**(347.67)**

IV. Bifurcation of present value of obligation at the end of the year (Rs. in lacs)

Particulars	As at	
	31-Mar-18	31-Mar-17
Current Liability (Short term)	377.97	277.96
Non-Current Liability (Long term)	726.52	1015.90
Present Value of Obligation	**1104.49**	**1293.87**

V. Expenses Recognized during the period (Rs. In lacs)

Particulars	For the period ending	
	31-Mar-18	31-Mar-17
In Income Statement	186.70	109.41
In Other Comprehensive Income	(82.77)	82.51
Total Expenses Recognized during the period	**103.93**	**191.92**

VI. Actuarial Assumptions (Rs. In lacs)

Particulars	As on	
	31-Mar-18	31-Mar-17
Discount rate (per annum)	7.50%	6.77%
Salary growth rate (per annum)	8.00%	12.00%
Mortality rate (% of IALM 06-08)	100%	100%
Attrition / Withdrawal rate (per annum)	15.00%	15.00%

VII. Sensitivity Analysis (Rs. In lacs)

Particulars	31-Mar-18		31-Mar-17	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	1151.98	1061.00	1362.66	1231.39
(% change compared to base due to sensitivity)	4.3%	-3.9%	5.3%	-4.8%
Salary Growth Rate (- / + 1%)	1062.47	1149.55	1243.09	1346.57
(% change compared to base due to sensitivity)	-3.8%	4.1%	-3.9%	4.1%
Attrition Rate (- / + 50% of attrition rates)	1121.81	1091.58	1412.56	1227.84
(% change compared to base due to sensitivity)	1.6%	-1.2%	9.2%	-5.1%
Mortality Rate (- / + 10% of mortality rates)	1104.50	1104.48	1294.17	1293.57
(% change compared to base due to sensitivity)	0.0%	0.0%	0.0%	0.0%

VIII. Expected Contribution during the next annual reporting period (Rs. In lacs)

The Company's best estimate of Contribution during the next year	199.06

IX. Maturity profile of defined Benefit obligation (Rs. In lacs)

Expected cash flows over the next (valued on undiscounted basis):	Amount
1 year	377.97
2 to 5 years	524.01
6 to 10 years	400.80
More than 10 years	290.07

X. Method and assumption related terms

1) **Discount Rate: -** Discount rate is the rate which is used to discount future benefit cash flows to determine the present value of the defined benefit obligation at the valuation date. The rate is based on the prevailing market yields of high quality corporate bonds at the valuation date for the expected term of the obligation. In countries where there are no such bonds, the market yields at the valuation date on government bonds for the expected term is used.

2) **Salary escalation Rate: -** The rate at which salaries are expected to escalate in future. It is used to determine the benefit based on salary at the date of separation.

3) **Attrition Rate: -** The reduction in staff/employees of a company through normal means, such as retirement and resignation. This is natural in any business and industry.

4) **Mortality Rate: -** Mortality rate is a measure of the number of deaths (in general, or due to a specific cause) in a population, scaled to the size of that population, per unit of time.

5) **Projected Unit credit method: -** The Projected Unit Credit Method (sometimes known as the accrued benefit method pro-rated on service or as the benefit/years of service method) considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. The Projected Unit Credit Method requires an enterprise to attribute benefit to the current period (in order to determine current service cost) and the current and prior periods (in order to determine the present value of defined benefit obligations).

c. Other employee benefits

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in statement of profit and loss.

The company has recognized an expense of Rs. 339.13 lacs (Previous year Rs. 309.91 lacs) towards the compensated absences

36. CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

(Rs. In lacs)

S. No.	Particular	As at March 31, 2018	As at March 31, 2017
I	**Contingent Liabilities**		
a.	Claims against the company not acknowledged as debt*		
	-Income Tax	-	-
	-Excise Duty	771.30	562.23
	-Service Tax	176.25	176.25
	-Sales Tax	180.05	180.05
	-Litigation pending in consumer forum	53.95	54.00
b.	Guarantees excluding financial guarantees		
	-Bank Guarantees	8.25	20.00
c.	Other money for which the company is contingently liable		
	-'C' forms pending against central sales tax	0.62	11.97
II	**Commitments**		
	-Estimated amount of contracts remaining to be executed on capital account and not provided for	25.63	81.66

*Pending resolution of the respective proceedings, it is not practicable for the Company to estimate the timings of the cash outflows, if any, in respect of the above as it is determinable only on receipt of the judgements/ decisions pending with various forums / authorities.

The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The company also believes that the above issues, when finally settled are not likely to have any significant impact on the financial position of the Company.

37. LEASES

Lease rent paid for operating leases are recognized as an expense in the Statement of Profit and Loss in the year to which it relates.

The Company has taken certain office/Godown spaces and vehicles on operating lease basis. Future lease rents and escalation (to cover inflation) in rent have been determined on the basis of agreed terms. At the expiry of the initial lease term, generally the company has an option to extend the lease for a further pre-determined period.

Future rent payable for operating leases are as under:

(Rs. In lacs)

Particulars	As at March 31, 2018	As at March 31, 2017
-Payable within one year	605.41	586.11
-Later than one year but not later than five years	764.24	1113.52
-Later than five years	25.66	41.19
-Amount charged to statement of profit and loss	706.19	503.20

38. SEGMENT INFORMATION

The company has evaluated the applicability of segment reporting and has concluded that since the company has only one primary business segment i.e. Agro Chemicals and one geographical reportable segment i.e. Operations mainly within India. The overall performance is reviewed by the Chairman, Managing Director, Executive directors and CFO, which has been identified as the CODM (Chief operating decision makers) by the Company.

Thus the segment revenue, expenses, results, assets and liabilities are same as reflected in the financial statements as at and for the year ended 31 March, 2018

39. RELATED PARTY DISCLOSURES

a. Nature of Related Party Relationship

I. Subsidiaries

a.)	Dhanuka Agri-Solutions Pvt. Limited	Wholly owned Subsidiary

II. Key Management personnel

a.)	Sh. Ram Gopal Agarwal	Chairman
b.)	Sh. Mahendra Kumar Dhanuka	Managing Director
c.)	Sh. Arun Kumar Dhanuka	Executive Director
d.)	Sh. Rahul Dhanuka	Executive Director
e.)	Sh. Mridul Dhanuka	Executive Director
f.)	Sh. Ashish Saraf	Executive Director
g.)	Sh. Vinod Kumar Bansal	Chief Financial Officer
h.)	Sh. Kapil Garg	Company Secretary (till 21st Aug, 2017)
i.)	Smt. Jyoti Verma	Company Secretary (w.e.f. 13th Nov, 2017)

III. Relatives of Key Management Personnel with whom transactions have taken place

a.)	Sh. Harsh Dhanuka	Son of Sh. Mahendra Kumar Dhanuka
b.)	Smt. Megha Dhanuka	Wife of Sh. Mridul Dhanuka
c.)	Smt. Akangsha Dhanuka	Son's wife of Sh. MK Dhanuka
d.)	Smt. Madhuri Dhanuka	Wife of Sh. Rahul Dhanuka

IV. Entities controlled by KMP/Relative of KMP, with whom transactions have taken place

a.) Dhanuka Marketing Company
b.) Mridul Dhanuka HUF
c.) Dhanuka Private Limited
d.) Dhanuka Laboratories Limited
e.) Chiranji Lal Dhanuka Charitable Trust
f.) Hindon Mercantile Limited
g.) Exclusive Leasing and Finance Limited
h.) Sikkim Agro Industries Limited
i.) Golden Overseas Pvt. Limited
j.) M.D. Buildtech Pvt. Limited
k.) H.D. Realtors Pvt. Limited
l.) Dhanuka Infotech Pvt. Limited
m.) Otsuka Chemical (India) Pvt. Limited
n.) IKO Overseas
o.) Synmedic Laboratories

b. The following transactions were carried out with related parties in the ordinary course of business: **(Rs. In lacs)**

Transaction type	Type of Relation	2017-18			2016-17		
		Transaction during the period			Transaction during the period		
		Pur/Amt Rece	Sales/Amt Paid	Balance outstanding Dr.(Cr.)	Pur/Amt Rece	Sales/Amt Paid	Balance outstanding Dr.(Cr.)
Compensation to KMP							
Short term employee benefits	a(II)	-	1,866.97	-	-	1,803.41	-
Post-employment benefits		-	60.29	-	-	53.36	-
Total		**-**	**1,927.26**	**185.84**	**-**	**1,856.77**	**48.46**
Other Transactions							
Purchase of Goods	a(IV)d	19.96	-	-	3.78	-	-
Sales of Goods	a(IV)d	-	0.45	0.47	-	110.13	-
Services Rendered-Rent	a(IV)	-	2.64	-	-	2.64	-
Services Received-Rent	a(III) & a(IV)	132.57	-	(0.38)	124.05	-	(0.53)
Loans Given to Subsidiary company	a(I)a	-	6.46	11.56	-	-	5.10
Travel expenses	a(IV)a	-	6.62	(1.53)	-	4.80	-
Salary paid	a(III)a	-	55.55	-	-	48.95	-
Contribution towards CSR Activities	a(IV)e	-	150.00	-	-	120.00	-
Services Received-C&F Commission	a(IV)a	514.20	-	(573.55)	433.25	-	(309.27)

*The above post-employment benefits exclude gratuity which cannot be separately identified from the composite amount advised by the actuary.

c. Terms and conditions of transactions with related parties

All the transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. The company has not recorded any impairment of receivables relating to amounts owed by related parties for the year ended March 31, 2018 and March 31, 2017

40. THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT (MSMED) ACT, 2006

The information regarding Micro, Small and Medium enterprises has been determined to the extent such parties have been identified on the basis of information available with the company:

(Rs. in lacs)

S. No.	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
1)	Principal amount and Interest due thereon remaining unpaid to any supplier as on 31st March	662.61	323.94	790.92
2)	Interest paid by the Company in terms of Section 16 of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year	-	-	-
3)	The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-	-
4)	The amount of interest accrued and remaining unpaid	-	-	-
5)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of this Act.	-	-	-

41. FINANCIAL INSTRUMENTS

I. Financial Assets-Fair values

(Rs. in lacs)

Particulars	Fair Value Hierarchy	As at March 31,2018	As at March 31,2017	As at April 01,2016
1. Financial assets designated at fair value through profit and loss				
a) Investment				
i) In Equity Instruments	**Level-1**	301.42	252.22	192.04
ii) In Equity Instruments	**Level-2**	1178.47	137.39	140.05
iii) In mutual funds	**Level-1**	12039.42	2734.03	5512.78
iv) In Debentures or Bond	**Level-1**	2153.00	648.19	-
v) In Debt Instruments	**Level-2**	126.04	-	-
2. Financial assets designated at amortized cost				
a) Investment				
i) In Debentures or Bond		2400.87	2868.26	3377.93
a) Trade receivables		20796.75	18384.39	18537.39
b) Cash & Cash Equivalents		1056.86	352.18	91.29
c) Other bank balances		83.34	82.12	125.06
d) Loans		3672.78	1054.43	2370.79
e) Other Financial Assets		603.65	676.94	596.68
4. Investment in subsidiary companies at cost		0.09	0.09	0.09

II. Financial Liabilities-Fair Value

(Rs. in lacs)

Particulars	Fair Value Hierarchy	As at March 31, 2018	As at March 31, 2017	As at April 01,2016
1. Financial liability designated at amortized cost				
a) Borrowings		471.65	789.25	769.47
b) Trade Payables		8300.61	5699.02	6063.75
c) Other Financial Liability		6432.32	6972.63	6309.71

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale

The carrying amounts of cash and cash equivalents, bank balance other than cash and cash equivalents, trade receivables, loans, trade payables, short term borrowings and other current financial assets and liabilities are considered to be the same as their fair values, due to their short-term nature.

III. **Fair Value hierarchy**

Level 1 - This includes financial instruments measured using quoted prices (Unadjusted) in active markets for identical assets and liabilities.

Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

42. FINANCIAL RISK MANAGEMENT

The Company's operational activities expose to various financial risks i.e. market risk, credit risk and risk of liquidity. The Company realizes that risks are inherent and integral aspect of any business. The company's board of directors has the overall responsibility for the management of these risks. The company has the risk management policies and systems in place and are reviewed regularly to reflect changes in market conditions and the company's activities. The primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The company's audit committee oversees how management monitors compliance with the risk management policies and procedures, and reviews the adequacy of risk management framework in relation to the risks faced by the company.

a.) Credit Risk

Credit Risk refers to the risk that a counter party will default on its contractual obligation resulting in financial loss to the company, and arises from the operating activities primarily from trade receivables. Trade receivables are typically unsecured and are derived from revenue earned from customers primarily located in India.

The company has established a credit policy under which each customer is analyzed individually for creditworthiness before the company's credit terms are offered. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business. Credit limits are established for each customer and reviewed periodically. Any sales order exceeding those limits require approval from the appropriate authority.

The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience. These loss rates are adjusted by considering the available, reasonable and supportive forward looking information.

Reconciliation of allowance for lifetime expected credit loss on customer balances:

(Rs. In lacs)

Particulars	As at March 31, 2018	As at March 31, 2017
Opening Balance	44.77	38.23
Changes in loss allowance	101.56	6.54
Closing balance	**146.33**	**44.77**

Credit risks from financial transactions are managed independently by finance department. For banks and financial institutions, the company has policies and operating guidelines in place to ensure that financial instrument transactions are only entered into with high quality banks and financial institutions. The company had no other financial instrument that represent a significant concentration of credit risk. The surplus funds are invested in bank deposits and mutual fund investments. So there is no impairment in these financial assets.

The company assessed the credit risk of these financial instruments. Based on the assessment there is no impairment in the other financial instruments.

b.) Liquidity Risk

Liquidity risks result from the possible inability of the company to meet current or future payment obligations due to lack of cash or cash equivalents. The liquidity risk is assessed and managed by the finance department as a part of day to day and medium term liquidity planning.

The company holds sufficient liquidity to ensure the fulfillment of all planned payment obligations at maturity. The company's liquidity risk policy is to maintain sufficient liquidity reserve at all times based on cash flow projections to meet payment obligation when it falls due. The primary source of liquidity is cash generated from operations.

Liquid assets are held mainly in the form of bank deposits and mutual fund investments. The company maintain flexibility in funding by maintaining availability under cash credit lines set up with banks.

The table below analyze the company's financial liabilities into relevant maturity groupings based on their contractual maturities for all financial liabilities essential for an understanding of timing of cash flows.

(Rs. In Lacs)

Particulars	Total	Less than 1year	1-5 years	More than 5 years
As at March 31, 2018				
Borrowings (Current)	471.65	471.65	-	-
Trade Payables	8300.61	8300.61	-	-
Security Received from customers	1457.39	-	-	1457.39
Security Received from Vendor and staff	636.99	-	636.99	-
Unclaimed Dividend	83.34	83.34	-	-
Other payable	4254.60	3997.57	257.03	-
As at March 31, 2017				
Borrowings (Current)	789.25	789.25	-	-
Trade Payables	5699.02	5699.02	-	-
Security Received from customers	1656.61	-	-	1656.61
Security Received from Vendor and staff	640.78	-	640.78	-
Unclaimed Dividend	82.12	82.12	-	-
Other payable	4593.12	4244.73	348.39	-
As at April 01, 2016				
Borrowings (Current)	769.47	769.47	-	-
Trade Payables	6063.75	6063.75	-	-
Security Received from customers	1707.58	-	-	1707.58
Security Received from Vendor and staff	245.90	-	245.90	-
Unclaimed Dividend	125.06	125.06	-	-
Other payable	4231.17	3922.00	309.17	-

c.) Market Risk

i. Currency Risk

Foreign currency risks for the company is from changes in exchange rates and the related changes in the value of financial instruments in the functional currency (INR). The company is exposed to foreign exchange risk arising from foreign currency transactions primarily with respect to US Dollar.

To Mitigate the currency fluctuation, receivables and payables in foreign currencies which arises from export and import of goods are hedged through forward exchange contracts.

Sensitivities were determined on the basis of a scenario in which the INR appreciated/depreciated by 5% against USD compared with the year-end exchange rates. In this scenario, the estimated hypothetical loss/gain of cash flows from financial instruments have been tabulated below:

(Rs. In lacs)

Particulars (USD Impact on profit or (loss) and total equity)	As at March 31,2018	As at March 31,2017	As at April 01,2016
Increase in exchange rate by 5%	(45.62)	(70.11)	(39.53)
Decrease in exchange rate by 5%	45.62	70.11	39.53

The company's exposure to changes in foreign currency other than USD is not material.

ii. Interest Rate Risk

The company has surplus cash position and does not have any major borrowings as on balance sheet date. So there is no material interest risk relating to the company's financial liabilities.

iii. Price Risk

The company is mainly exposed to the price risk due to its investment in mutual funds and classified in the balance sheet as fair value through profit and loss. Mutual fund investments are susceptible to market price risk, mainly arising from changes in the interest rates or market yields which may impact the return and value of such investments. However, due to very short tenor of the underlying portfolio in the liquid schemes, these do not pose any significant price risk.

There is no material equity risk relating to the company's equity investments which are details in note 7. The company's equity investments majorly comprise of strategic investments rather than trading purposes.

43. CAPITAL MANAGEMENT

The company manages its capital to ensure that the company will be able to continue as going concern while maximizing the return to stakeholders through optimization of debt and equity balance. Further its objective is to maintain an adequate capital base so as to maintain creditor and market confidence and to sustain future development.

44. STANDARDS ISSUED BUT NOT EFFECTIVE

On March 28, 2018, the Ministry of Corporate Affairs (MCA) has notified Ind AS 115 - Revenue from Contract with Customers and certain amendment to existing Ind AS. These amendments shall be applicable to the Company from April 01, 2018.

(a) Issue of Ind AS 115 - Revenue from Contracts with Customers

Ind AS 115 will supersede the current revenue recognition guidance including Ind AS 18 Revenue, Ind AS 11 Construction Contracts and the related interpretations. Ind AS 115 provides a single model of accounting for revenue arising from contracts with customers based on the identification and satisfaction of performance obligations.

(b) Amendment to Existing issued Ind AS

The MCA has also carried out amendments of the following accounting standards:

i. Ind AS 21 - The Effects of Changes in Foreign Exchange Rates

ii. Ind AS 12 - Income Taxes

Application of above standards are not expected to have any significant impact on the Company's Financial Statements.

45. FIRST TIME ADOPTION OF IND AS

These financial statements, for the year ended 31 March 2018, have been prepared in accordance with Ind AS, for the purposes of transition to Ind AS, the company has followed the guidance prescribed in Ind AS 101- First time adoption of Indian Accounting Standards, with 1st April, 2016 as the transition date.

Accordingly, the company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2016, together with the comparative period data as at and for the year ended 31 March 2017. In preparing these financial statements, the company's opening balance sheet was prepared as at 1 April 2016, the date of transition to Ind AS.

Ind AS 101- First time adoption of Indian accounting standards requires the company to reconcile equity, total comprehensive income and cash flows for previous years. The following reconciliations provide the explanations and quantification of the differences arising from the transition from previous GAAP to Ind AS in accordance with Ind AS 101

Exemptions and exceptions availed:

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

a. Ind AS optional exemptions:

Ind AS 101 allow first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The company has applied the following exemptions:

i. Property, plant and equipment & Intangible assets

Ind AS 101 permits a first-time adopter to elect to

continue with the carrying value for all of its Property, Plant and Equipment & Intangible Assets as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

Accordingly, the company has elected to measure all of its Property, Plant and Equipment & Intangible Assets at their previous GAAP carrying value.

ii. Investment in subsidiaries, joint ventures and associate

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its investment in subsidiaries, joint ventures and associate as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

Accordingly, the Company has elected to measure its investments in subsidiary at previous GAAP carrying value.

iii. Business Combination

As per Ind AS 101, at the date of transition, an entity may elect not to restate business combinations that occurred before the date of transition. If the entity restates any business combinations that occurred before the date of transition, then it restates all later business combinations, and also applies Ind AS 110, Consolidated Financial Statements, from that same date.

The Company has opted not to restate business combinations that occurred before 1 April, 2016.

b. Ind AS mandatory exceptions

i. Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. However, the estimates should be adjusted to reflect any differences in accounting policies.

As per Ind AS, where application of Ind AS requires an entity to make certain estimates that were not required under previous GAAP, those estimates should reflect condition that existed at the date of transition (for preparing opening Ind AS balance sheet) or at the end of the comparative period (for presenting comparative information as per Ind-AS).

Ind AS estimates as at 1 April 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for Impairment of financial assets based on expected credit loss model, fair valuation of financial instruments carried at FVTPL in accordance with Ind AS at the date of transition as these were not required under previous GAAP.

ii. Classification and Measurement of Financial Assets

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortized cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable.

Accordingly, Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortized cost has been done retrospectively except where the same is impracticable.

iii. Derecognition of Financial Assets and Liabilities

As per Ind AS 101, an entity should apply the derecognition requirements in Ind AS 109, Financial Instruments, prospectively for transactions occurring on or after the date of transition to Ind AS. However, an entity may apply the derecognition requirements retrospectively from a date chosen by it if the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognized as a result of past transactions was obtained at the time of initially accounting for those transactions.

The company has elected to apply the derecognition principles of Ind AS 109 prospectively.

iv. Impairment of Financial Assets

An entity shall determine an approximate credit risk at the date when the financial instruments were initially recognized and compare that to the credit risk at the date of transition to Ind AS. This should be based on reasonable and supportable information that is available without undue cost or effort. If the entity is unable to make this determination without undue cost or effort, it shall recognize a loss allowance at an amount equal to lifetime expected credit losses at each reporting date until that financial instrument is derecognized.

c. Reconciliations

i. Reconciliations of equity: (Rs. in Lacs)

Particulars	Note No.	As at March 31,2017	As at April 01,2016
Equity under previous Indian GAAP		**51985.22**	**48044.01**
Fair valuation of investments, classified as fair value through profit and loss	i	224.61	8.82
Remeasurement of investments at amortized cost	i	(1.77)	(0.30)
Provision for expected credit losses on trade receivables	iii	(44.77)	(38.23)
Remeasurement of Security Deposit at amortized cost	ii	(10.80)	(11.10)
Reversal of Lease Equalization Reserve	vii	122.79	80.71
Deferred Tax Impact on above adjustments	v	(104.12)	(17.65)
Equity as per Ind AS		**52171.16**	**48066.26**

ii. Reconciliation of total comprehensive income: (Rs. in Lacs)

Particulars	Note No.	Year Ended 31.03.17
Net Profit as per previous Indian GAAP		**11941.20**
Fair valuation of investments, classified as fair value through profit and loss	i	215.79
Remeasurement of investments at amortized cost	i	(1.47)
Provision for expected credit losses on trade receivables	iii	(6.55)
Remeasurement of Security Deposit at amortized cost	ii	0.31
Reversal of Lease Equalization Reserve	vii	42.08
Actuarial (Gain)/Loss on employee defined benefit plan recognized in OCI	vi	82.51
Deferred Tax Impact on above adjustments	v	(86.47)
Net Profit as per Ind AS		**12187.40**
Other Comprehensive Income (OCI) after Tax	vi	(82.51)
Total Comprehensive Income as per Ind AS		**12104.89**

iii. **Reconciliation of Cash flow**

There is no significant reconciliation items between cash flow prepared under Previous GAAP and those prepared under Ind AS.

d. Notes to first time adoption

i. **Investments**

For investment in Mutual Fund, Equity instruments and Market linked debentures, company has elected to fair value through Profit and Loss (FVTPL). However, in the previous GAAP the same is carried at cost.

For investment in bonds and debentures, where objective is to hold assets for collecting contractual cash flows that are solely payments of principal and interest on the principal amount outstanding, needs to be measured at amortized cost using the effective interest rate method. The company has applied effective interest rate method to those investments retrospectively. However, in the previous GAAP the same is carried at cost.

ii. **Security Deposit**

Under previous GAAP the company has carried security deposits given at cost, while as per Ind AS, security deposits which qualify as financial assets, need to be measured at amortized cost using the effective interest rate method less any impairment losses. The company has applied effective interest rate method to those deposits retrospectively.

iii. **Trade Receivables**

On account of adoption of Ind AS 109, the company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables.

The provision matrix takes into account as per the Company's historical experience for customers.

iv. Excise Duty

Under the previous GAAP, revenue from sale of products was presented exclusive of excise duty. Under Ind AS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented on the face of the statement of profit and loss as part of expenses.

v. Deferred Tax

Previous GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base.

vi. Remeasurements of post-employment benefit obligations

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognized in other comprehensive income instead of statement of profit & loss. Under the previous GAAP, these remeasurements were forming part of the statement of profit & loss for the year.

vii. Lease Equalization

As per Ind AS 17, payments under operating lease are recorded in the Statement of Profit and Loss on a straight line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

The Company has taken office/Godown spaces on operating lease basis. Future lease rents and escalation in rent which is generally on account inflation only, have been determined on the basis of agreed terms.

As increase in the rentals are on account of inflation only, company has decided to reverse the lease equalization reserve made as per the provisions of previous IGAAP.

46. EVENTS AFTER REPORTING DATE

Refer to note 16(b) for the final dividend recommended by the directors which is subject to the approval of shareholders in the ensuing annual general meeting.

47. Trade receivables, trade payables and advances are subject to confirmation and / or reconciliation except those for which confirmation / reconciliation already received.

As per our report of even date attached

For **AMBANI & ASSOCIATES LLP**
Chartered Accountants
Firm Registration No: 016923N

For and on behalf of the Board of Directors

Sd/-	**Sd/-**	**Sd/-**	**Sd/-**	**Sd/-**
HITESH AMBANI	**M.K. DHANUKA**	**RAHUL DHANUKA**	**V.K. BANSAL**	**JYOTI VERMA**
Designated Partner	Managing Director	Executive Director	C.F.O.	Company Secretary
Membership No : 506267	DIN : 00628039	DIN : 00150140		
Place : Gurugram				
Dated : 22nd May, 2018				

INDEPENDENT AUDITORS' REPORT

To,

The Members of

Dhanuka Agritech Limited

Report on the Consolidated Indian Accounting Standard (Ind AS) Financial Statements

We have audited the accompanying Ind AS Consolidated financial statements of **Dhanuka Agritech Limited** (herein after referred to as " the Holding Company"), and its wholly owned subsidiary M/s Dhanuka Agri-solution Private Limited, Bangladesh (the Company and its subsidiary together referred to as 'the Group'), comprising the consolidated Balance Sheet as at 31st March, 2018, the consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity, Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (herein after referred to as " the consolidated Ind AS financial statements')

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 Companies Act, 2013 ('the Act') with respect to the preparation and presentation of these consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act (hereinafter referred to as 'the Act') , read with Rules 2015 as amended. The respective Board of Directors of the Company included in the Group are responsible for maintenance of 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 maintaince 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amount and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including assessment of the risk of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in terms of their report referred to in sub – paragraph (a) of the other Matters Paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statement.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March 2018, their consolidated profit, consolidated total comprehensive income, consolidated statement of changes in equity and its consolidated cash flows for the year ended on that date.

Other Matter

(a) We did not audit the financial statements / financial information of subsidiary, whose financial statements / financial information reflect total assets (net) of Rs. (7.74) Lacs as at March 2018, total revenues of Rs NIL and net cash flows amounting to Rs (3.54) Lacs for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements / financial

information have been audited by other auditors whose reports have been furnished to us by management and our opinion on consolidated Ind AS financial statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub section (3) and (11) of Section 143 of the Act, in so far it relates to the aforesaid subsidiary is based solely on the reports of other auditors.

Our opinion on the consolidated Ind AS financial statements and our report on other legal and regulatory requirement are not modified in respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by management.

Report on other legal and regulatory requirements

1. As required by Sub- section 3 of Section 143 of the Act, we report, to the extent applicable that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far it appears from our examination of those books and the reports of the other auditors.

   (c) The Consolidated Ind AS balance sheet, the consolidated Ind AS statements of profit and loss (including other Comprehensive Income), Consolidated Statement of Changes in Equity and the consolidated cash flow statement dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

   (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting standards specified under Section 133 of the Act.

   (e) On the basis of written representations received from the directors of the Company as on 31st March 2018 taken on record by the Board of Directors of the Company and the report of the statutory auditors of its subsidiary company (incorporated outside India), none of the Directors of the Company incorporated in India is disqualified as on 31st March 2018 from being appointed as a Director of that company in terms of sub section 2 of section 164 the Act.

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the group and the operating effectiveness of such controls, refer to our separate report in **"Annexure A"** which is based on the auditor's report of the company and its subsidiary company incorporated outside India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of that company, for the reason stated therein.

   (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rule, 2014, in our opinion and to the best of our information and according to the explanations given to us :

      (i) The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. **Refer to Note No: 36.**

      (ii) There are no foreseeable losses on long term contracts including derivative contracts as at 31st March 2018. Hence, Group has not made any provision, as required under the applicable law or Indian Accounting Standards.

      (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its Subsidiary Company (Incorporated outside India).

For **Ambani & Associates LLP**
Chartered Accountants
FRN: 016923N

Sd/-
Hitesh Ambani
Designated Partner
Membership No. 506267

Place : Gurugram
Date : 22nd May, 2018

Annexure A to Independent Auditors' Report

1. **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of section 143 of the Companies Act, 2013 ('the Act').**

   In conjunction with our audit of the consolidated Ind AS financial statements of the company as of and for the year ended 31st March 2018, we have audited the internal financial controls over financial reporting of Dhanuka Agritech Limited ('the Holding Company') and its subsidiary company (Incorporated outside India), as of that date.

2. **Management's Responsibility for Internal Financial Controls**

   The Board of Directors of the Company and its subsidiary company (incorporated outside India) 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

3. Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants on India and the Standards On Auditing specified under Section 143 (10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by ICAI. 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 controls based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting of the Company and its subsidiary company, which is incorporated outside India.

4. 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 (i) pertain to the Maintaince of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) 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 authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

5. 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.

6. Opinion

In our opinion and to the best of our information and according to the explanation given to us, the Company and its subsidiary company (Incorporated outside India) have, in all material respects, an adequate internal financial controls over financial reporting were operating effectively as at 31st March 2018, 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 **Ambani & Associates LLP**
Chartered Accountants
FRN : 016923N

Sd/-
Hitesh Ambani
Designated Partner
Membership No : 506267

Place : Gurugram
Date : 22nd May, 2018

Consolidated Balance Sheet as at 31st March, 2018

(Rs. In lacs)

	Particulars	Note No.	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
I	**Assets**				
1	**Non-current assets**				
a	Property,Plant and Equipment	4	12,795.80	13,502.90	13,134.26
b	Capital work in progress	5	7.68	44.17	5.18
c	Other Intangible assets	6	297.63	280.74	200.45
d	Financial Assets				
	i) Investments	7	8,948.57	4,904.78	4,323.44
	ii) Loans	8	380.58	361.92	339.59
	iii) Other financial assets	9	134.19	127.91	121.56
e	Other non-current assets	14	1,979.41	1,921.76	2,169.32
	Total Non-Current assets		**24,543.86**	**21,144.18**	**20,293.80**
2	**Current assets**				
a	Inventories	10	20,498.57	26,447.11	17,256.40
b	Financial Assets				
	i) Investments	7	9,250.65	1,735.31	4,899.36
	ii) Trade receivables	11	20,796.75	18,384.39	18,537.39
	iii) Cash and cash equivalents	12	1,060.75	352.53	93.25
	iv) Bank balances other than (iii) above	12	83.34	82.12	125.06
	v) Loans	8	3,280.63	687.41	2,026.09
	vi) Other financial assets	9	469.46	549.03	475.12
c	Current Tax Assets (Net)	13	257.43	233.83	317.48
d	Other current assets	14	2,025.27	1,864.71	1,600.49
	Total Current assets		**57,722.85**	**50,336.44**	**45,330.64**
	Total Assets		**82,266.71**	**71,480.62**	**65,624.44**
II	**EQUITY AND LIABILITIES**				
1	**Equity**				
a	Equity Share Capital	15	981.57	981.57	1,000.39
b	Other Equity	16	62,354.32	51,189.59	47,065.87
	Total equity		**63,335.89**	**52,171.16**	**48,066.26**
	LIABILITIES				
2	**Non-current liabilities**				
a	Financial Liabilities				
	i) Other financial liabilities	19	2,351.41	2,645.78	2,262.65
b	Provisions	20	178.32	637.72	347.67
c	Deferred tax liabilities (Net)	21	1,333.49	1,259.27	847.95
d	Other non-current liabilities	22	7.93	15.04	18.41
	Total non-current liabilities		**3,871.15**	**4,557.81**	**3,476.68**
3	**Current liabilities**				
a	Financial Liabilities				
	i) Borrowings	17	471.65	789.25	769.47
	ii) Trade payables	18	8,300.61	5,699.02	6,063.75
	iii) Other financial liabilities	19	4,080.98	4,326.89	4,047.10
b	Other current liabilities	22	2,181.65	3,788.08	2,768.95
c	Provisions	20	24.78	148.41	432.23
	Total current liabilities		**15,059.67**	**14,751.65**	**14,081.50**
	Total Equity and Liabilities		**82,266.71**	**71,480.62**	**65,624.44**

Accompanying notes form an integral part of the financial statements

As per our report of even date attached
For **AMBANI & ASSOCIATES LLP**
Chartered Accountants
Firm Registration No: 016923N

For and on behalf of the Board of Directors

Sd/-	**Sd/-**	**Sd/-**	**Sd/-**	**Sd/-**
HITESH AMBANI	**M.K. DHANUKA**	**RAHUL DHANUKA**	**V.K. BANSAL**	**JYOTI VERMA**
Designated Partner	Managing Director	Executive Director	C.F.O.	Company Secretary
Membership No : 506267	DIN : 00628039	DIN : 00150140		

Place : Gurugram
Dated : 22nd May, 2018

Statement of Consolidated Profit & Loss for the year ended 31st March, 2018

(Rs. In lacs)

	Particulars	Note No.	For the period ended March 31, 2018	For the period ended March 31, 2017
I	Revenue from Operations	23	97,624.42	100,077.11
II	Other Income	24	1,603.06	1,751.31
III	**Total Revenue (I+II)**		**99,227.48**	**101,828.42**
IV	**EXPENSES**			
	Cost of materials consumed	25	38,736.28	45,018.87
	Purchase of Stock In Trade	26	11,070.33	11,194.13
	Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	27	6,416.79	(6,344.91)
	Excise Duty		1,360.93	11,742.29
	Employee Benefit Expenses	28	10,646.38	9,690.54
	Finance Costs	29	87.34	98.53
	Depreciation and Amortization Expense	30	1,420.62	1,484.80
	Other Expenses	31	12,788.02	11,789.49
	Total Expenses		**82,526.69**	**84,673.74**
V	**Profit Before Exceptional Items and Tax (III-IV)**		**16,700.79**	**17,154.68**
VI	**Exceptional items**		-	-
VII	**Profit before Tax (V-VI)**		**16,700.79**	**17,154.68**
VIII	**Tax Expenses**			
	Current Tax	32	4,458.67	4,553.29
	Tax of earlier year provided / written back	32	(449.87)	2.67
	Deferred Tax	32	74.22	411.32
IX	**Profit for the year**		**12,617.77**	**12,187.40**
X	**Other Comprehensive Income**	33		
A	(i) Items that will not be reclassified to profit or loss		82.77	(82.51)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B	(i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XI	**Total Comprehensive Income (IX+X)**		**12,700.54**	**12,104.89**
	Earnings per Equity Shares			
	1) Basic (in ₹)	34	**25.71**	**24.37**
	2) Diluted (in ₹)	34	**25.71**	**24.37**

Accompanying notes form an integral part of the financial statements

As per our report of even date attached
For **AMBANI & ASSOCIATES LLP**
Chartered Accountants
Firm Registration No: 016923N

For and on behalf of the Board of Directors

Sd/-	**Sd/-**	**Sd/-**	**Sd/-**	**Sd/-**
HITESH AMBANI	**M.K. DHANUKA**	**RAHUL DHANUKA**	**V.K. BANSAL**	**JYOTI VERMA**
Designated Partner	Managing Director	Executive Director	C.F.O.	Company Secretary
Membership No : 506267	DIN : 00628039	DIN : 00150140		

Place : Gurugram
Dated : 22nd May, 2018

Statement of Changes in Consolidated Equity for the year ended 31st March, 2018

(Rs. In lacs)

a.	EQUITY SHARE CAPITAL	As at March 31, 2018		As at March 31, 2017	
	Particulars	**No of shares**	**Amount**	**No of shares**	**Amount**
	Balance at the beginning of the reporting period	49,078,324	981.57	50,019,500	1,000.39
	Changes in equity share capital during the year	-	-	(941,176)	(18.82)
	Balance at the end of the reporting period	**49,078,324**	**981.57**	**49,078,324**	**981.57**

b.	OTHER EQUITY	Reserves & Surplus					Total
	Particulars	**Capital Reserve**	**Securities Premium Reserve**	**General Reserve**	**Capital Redemption Reserve**	**Retained earnings**	
	Balance at April 1, 2016	95.47	3,308.25	5,952.78	-	37,709.38	47,065.87
	Total comprehensive income for the year ended 31 March, 2017						
	-Profit or Loss during the year	-	-	-	-	12,187.40	12,187.40
	-Other comprehensive income for the year	-	-	-	-	(82.51)	(82.51)
	Total comprehensive income	**-**	**-**	**-**	**-**	**12,104.89**	**12,104.89**
	-Dividend paid during the year	-	-	-	-	-	-
	-Dividend Distribution Tax (DDT)	-	-	-	-	-	-
	-Transfer to General Reserve	-	-	1,194.00	-	(1,194.00)	-
	-Buy back of Shares	-	(3,308.25)	(4,691.75)	18.82	-	(7,981.18)
	Balance at March 31, 2017	**95.47**	**-**	**2,455.03**	**18.82**	**48,620.27**	**51,189.59**
	Balance at April 1, 2017	95.47	-	2,455.03	18.82	48,620.27	51,189.59
	Total comprehensive income for the year ended 31 March, 2017						
	-Profit or Loss during the year	-	-	-	-	12,617.77	12,617.77
	-Other comprehensive income for the year	-	-	-	-	82.77	82.77
	Total comprehensive income	**-**	**-**	**-**	**-**	**12,700.54**	**12,700.54**
	-Dividend paid during the year	-	-	-	-	(1,276.04)	(1,276.04)
	-Dividend Distribution Tax (DDT)	-	-	-	-	(259.78)	(259.78)
	-Transfer to General Reserve	-	-	-	-	-	-
	Balance at March 31, 2018	**95.47**	**-**	**2,455.03**	**18.82**	**59,784.99**	**62,354.32**

As per our report of even date attached
For **AMBANI & ASSOCIATES LLP**
Chartered Accountants
Firm Registration No: 016923N

Sd/-
HITESH AMBANI
Designated Partner
Membership No : 506267
Place : Gurugram
Dated : 22nd May, 2018

For and on behalf of the Board of Directors

Sd/-
M.K. DHANUKA
Managing Director
DIN : 00628039

Sd/-
RAHUL DHANUKA
Executive Director
DIN : 00150140

Sd/-
V.K. BANSAL
C.F.O.

Sd/-
JYOTI VERMA
Company Secretary

Consolidated Statement of Cash Flow for the year ended 31st March, 2018

(Rs. In lacs)

	PARTICULARS	For the year ended March 31, 2018	For the year ended March 31, 2017
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit / (Loss) Before Tax	**16,700.79**	**17,154.68**
	Adjustments for:		
	Depreciation, amortization and impairment expenses	1,420.62	1,484.80
	Net (Gain)/Loss on Sale of Property, Plant & Equipment	(4.46)	(38.21)
	Finance Costs	87.34	98.53
	Interest Income	(366.22)	(747.00)
	Dividend Income from Investments	(338.87)	(268.60)
	Net (Gain)/Loss on Sale of Investment	(46.56)	(128.01)
	Net (Gain)/Loss on financial assets measured at fair value through Profit/Loss	(314.49)	(215.79)
	Provision for Bad and Doubtful debts & Advances	101.55	6.55
	Forex Fluctuation on Translation of Assets & Liabilities	59.72	(62.31)
	Operating Profit/(loss) before Working Capital changes	**17,299.43**	**17,248.64**
	(Increase) / Decrease in Trade Receivables	(2,513.92)	146.46
	(Increase) / Decrease in Current financial assets - Loans	(2,593.22)	1,338.68
	(Increase) / Decrease in Non Current financial assets - Loans	(18.66)	(22.32)
	(Increase) / Decrease in Other Current financial assets	79.57	(73.91)
	(Increase) / Decrease in Other Non Current financial assets	(6.28)	(6.35)
	(Increase) / Decrease in Other Current assets	(160.56)	(264.22)
	(Increase) / Decrease in Other Non Current assets	(57.65)	247.56
	(Increase)/Decrease in Inventories	5,948.54	(9,190.71)
	Increase / (Decrease) in Trade Payables	2,560.64	(321.19)
	Increase / (Decrease) in Other Current Financial Liabilities	(247.13)	322.72
	Increase / (Decrease) in Other Non Current Financial Liabilities	(294.37)	383.14
	Increase / (Decrease) in Other Current Provisions	(123.63)	(283.82)
	Increase / (Decrease) in Other Non Current Provisions	(376.63)	207.54
	Increase / (Decrease) in Other Current Liabilities	(1,606.44)	1,019.13
	Increase / (Decrease) in Other Non Current Liabilities	(7.11)	(3.37)
	Cash generated (used) in /from Operations before tax	**17,882.59**	**10,783.96**
	Net Direct Taxes paid	(4,032.40)	(4,472.32)
	Net cash flow (used) in/ from Operating Activities	**13,850.20**	**6,311.64**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Acquisition of Property, Plant & Equipment/ Intangible Assets	(703.29)	(1,993.20)
	Proceeds from sale of Property, Plant & Equipment	13.84	58.70
	Purchase and sale of Investments	(11,198.08)	2,926.51
	Interest Received	366.22	747.00
	Dividend Income from Investments	338.87	268.60
	Net cash flow (used) in/ from Investing Activities	**(11,182.45)**	**2,007.61**
	Net cash (used) in/ from Operating and Investing Activities	**2,667.75**	**8,319.25**

Consolidated Statement of Cash Flow for the year ended 31st March, 2018

(Rs. In lacs)

	PARTICULARS	For the year ended March 31, 2018	For the year ended March 31, 2017
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Short Term Borrowings (Net)	(336.37)	38.55
	Payment of Dividend	(1,276.04)	-
	Taxes on Dividend	(259.78)	-
	Buy Back of Shares	-	(8,000.00)
	Finance Costs	(87.34)	(98.53)
	Net cash (used) in/ from Financing Activities	**(1,959.53)**	**(8,059.98)**
	Net cash (used) in/ from Operating, Investing & Financing Activities	**708.22**	**259.28**
	Opening balance of Cash and Cash equivalent	**352.53**	**93.25**
	Closing balance of Cash & Cash equivalent	**1,060.75**	**352.53**

Note: Cash and cash equivalents included in the Cash Flow Statement comprise of the following (refer note no.12):-

	i) Cash Balance on Hand	46.43	41.09
	ii) Balance with Banks :		
	-In Current Accounts	11.67	86.51
	-In Fixed Deposits	1,000.15	96.63
	- Cheques in hand	2.50	128.30
	Total	**1,060.75**	**352.53**

Change in liability arising from financing activities

Particulars	As at April 1, 2017	Cash flows	Foreign exchange movement	As at March 31, 2018
Borrowing Current (Refer Note 17)	789.25	(336.37)	18.77	471.65

As per our report of even date attached
For **AMBANI & ASSOCIATES LLP**
Chartered Accountants
Firm Registration No: 016923N

For and on behalf of the Board of Directors

Sd/-	**Sd/-**	**Sd/-**	**Sd/-**	**Sd/-**
HITESH AMBANI	**M.K. DHANUKA**	**RAHUL DHANUKA**	**V.K. BANSAL**	**JYOTI VERMA**
Designated Partner	Managing Director	Executive Director	C.F.O.	Company Secretary
Membership No : 506267	DIN : 00628039	DIN : 00150140		

Place : Gurugram
Dated : 22nd May, 2018

Notes to the Consolidated Financial Statements for the year ended 31st March, 2018

1. CORPORATE INFORMATION

Dhanuka Agritech Limited ("DAL" or "the Company") is a public limited company incorporated under The Companies Act, 1956, domiciled in India and has its registered office at New Delhi. The shares of the Company are listed on National Stock Exchange and Bombay Stock Exchange.

The consolidated financial statements comprise the company and its Wholly owned subsidiary (referred to collectively as "The group"). DAL manufactures a wide range of agro-chemicals like herbicides, insecticides, fungicides, plant growth regulators in various forms – liquid, dust, powder and granules. The Company has a pan-India presence through its Branch offices/Depots in all major states in India.

2. BASIS OF PREPARATION

a. Statement of compliance

The financial statements are prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard ('Ind AS') as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 ('the Act') as amended through rules and other relevant provisions of the Act to the extent applicable.

The financial statement up to year ended 31 March, 2017 were prepared in accordance with accounting standards notified under section 133 of the Companies Act, 2013 ('The Act') read with rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI).

As these are the Company's first financial statements prepared in accordance with Indian Accounting Standards (Ind AS), Ind AS 101, First-time Adoption of Indian Accounting Standards has been applied. Reconciliations and explanations of the effect of the transition from previous GAAP to Ind AS on company's total equity, total comprehensive income and statement of cash flows are provided in Note no 45.

These financial statements were authorized for issue by the Board of Directors on May 22, 2018.

b. Basis of measurement

The financial statements have been prepared on an accrual basis and under the historical cost convention, except for the following:

- Certain financial assets and liabilities that is measured at fair value;
- Defined benefit plans - plan assets measured at fair value.

c. Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). The financial statements are presented in Indian National Rupee ('INR'), which is the Company's functional and presentation currency. All amounts have been rounded to the nearest lacs, unless otherwise indicated.

d. Current or Non-current classification

All assets and liabilities have 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. Based on the nature of products and time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

e. Use of Judgements and estimates

In preparing the financial statements, the Management has to make certain assumptions and estimates that may substantially impact the presentation of the Company's financial position and/ or results of operations.

Such assumptions and estimates mainly relate to the useful life of Property, Plant and Equipment, Intangible Assets, Recognition of deferred tax, and the recognition of provisions, including those for litigation and impairment, employee benefits and sales deductions.

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Although the Company regularly assesses these estimates, actual results may differ from these estimates. Changes in estimates are recorded in the periods in which they become known.

3. SIGNIFICANT ACCOUNTING POLICIES

The Company has consistently applied the following accounting policies to all periods presented in the financial statements.

a. Property, plant and equipment

I. Recognition and measurement

Property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, after deducting trade discount and rebates, and including import duties, non-refundable purchase taxes, any directly attributable cost of bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials, direct labour and any directly attributable cost of bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are included in cost to the extent they relate to the period till such assets are ready for its intended use.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. The cost of replacing part of an item of property, plant and equipment or major inspections performed, are recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of all other repairs and maintenance are recognized in the Statement of Profit & Loss as incurred.

Capital work-in-progress includes cost of property, plant and equipment under installation / under construction as at the balance sheet date.

An item of property, plant and equipment is derecognized when no future economic benefits are expected to arise from the continued use of the asset or upon disposal. Any gain or loss on disposal is recognized in statement of profit & loss.

II. Transition to IND AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognized as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

III. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values, recognized in the statement of profit and loss.

Depreciation on property, plant and equipment is provided on Written Down Value Method (WDV) at the rate and in the manner based on the useful life of the assets as estimated by the management which coincide with the useful life specified under Schedule II of the Companies Act, 2013, which are as follows:

- Building including factory building - 30-60 years.
- General plant and machinery - 15 years
- Plant and Machinery - Vessel / Storage tank - 20 years
- Furniture and Fittings - 10 years
- Motor Vehicles - 8-10 years
- Office Equipment - 5 years
- Computers and data processing units - 3-6 years
- Wind Mill - 22 years
- *Solar Plant - 25 years

*The useful life considered above is on the basis of the agreement with third party regarding sale of electricity generated from this plant.

Depreciation methods, useful lives and residual values are reviewed at each financial year end and changes, if any, are accounted for prospectively. Depreciation on additions to or on disposal of assets is calculated on pro-rata basis i.e. from (upto) the date on which the property, plant and equipment is available for use (disposed off).

Assets having cost upto Rs. 5000/- have been fully depreciated in the year of acquisition by leaving Re.1 as a nominal value for its identity in fixed assets register.

b. Intangible assets

I. Recognition and measurement

Intangible Assets are recognized, if the future economic benefits attributable to the assets are expected to flow to the company and cost of the asset can be measured reliably. All other expenditure is expensed as incurred.

Intangible assets are measured at cost less any accumulated amortization and impairment losses, if any and are amortized over their respective individual estimated useful life on straight line method. It is amortized from the point at which the asset is available for use.

Cost of an item of intangible asset comprises its purchase price, after deducting trade discount and rebates, and including import duties, non-refundable purchase taxes, any directly attributable

cost of bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.

The estimated useful lives are as follows:

Computer Software	10 years

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 and adjusted prospectively, if appropriate.

An intangible asset is derecognized when no future economic benefits are expected to arise from the continued use of the asset or upon disposal. Any gain or loss on disposal is recognized in statement of profit & loss.

Transition to Ind AS

On transition to Ind AS, company has elected to continue with the carrying value of all of its intangible assets recognized as at 1 April 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such intangible assets.

c. Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash flows are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash Generating Units ('CGUs').

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss.

In respect of assets for which impairment loss has been recognized in prior periods, the company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. After impairment, depreciation or amortization is provided on the revised carrying amount of the assets over its remaining useful life.

d. Financial instruments

I. Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially recognized at fair value plus transaction costs directly attributable to its acquisition. The transaction costs incurred for the purchase of financial assets held at fair value through profit and loss are expensed in the statement of profit and loss immediately.

II. Subsequent measurement

1) Financial assets carried at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. When the financial asset is derecognized or impaired, the gain or loss is recognized in the statement of profit and loss.

2) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except

for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in statement of profit and loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to the statement of profit and loss.

Equity instruments are subsequently measured at fair value. On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment by investment basis. Fair value gains and losses recognized in OCI are not reclassified to the statement of profit and loss.

3) Financial assets at fair value through profit and loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit and loss.

4) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts is approximate to the fair value due to the short maturity of these instruments.

III. Impairment of financial assets

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost and FVOCI debt instruments. Except trade receivables, expected credit losses are measured at an amount equal to the twelve month expected credit loss unless there has been a significant increase in credit risk from initial recognition, in which case those are measured at lifetime ECL.

In case of trade receivables, the Company follows the simplified approach which requires expected lifetime losses to be recognized from the initial recognition of the trade receivables. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

IV. Derecognition

1) Financial Assets

Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

2) Financial Liabilities

The company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expired.

V. Reclassification of Financial Assets and Financial liabilities

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. If the company reclassifies financial assets, it applies prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

VI. Derivative financial instruments

The company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risk. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are recognized immediately in the statement of profit and loss.

VII. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the company has a legally enforceable

right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

e. Fair Value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using other valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair value for measurement and/ or disclosure purposes are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 - This includes financial instruments measured using quoted prices (Unadjusted) in active markets for identical assets and liabilities.

Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 - If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

f. Inventories

Inventories (including Stock-in-transit) of Finished Goods, Stock in Trade, Work in progress, Raw materials, packing materials and Stores & Spares are stated at 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 includes expenditure incurred in acquiring the inventories, production or conversion costs, and other costs incurred in bringing them to their existing location and condition. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Cost of Raw Materials, Packing Materials, Stores and Spares, Stock in Trade and other products are determined on First in first out (FIFO) basis and are net of GST.

Cost of Work in progress and Finished Goods is determined on First in first out (FIFO) basis considering direct material cost and appropriate portion of manufacturing overheads based on normal operating capacity.

Obsolete, slow moving and defective inventories are identified at the time of physical verification of inventories and wherever necessary, the same are written off or provision is made for such inventories. Finished goods and work in progress are written down if anticipated net realizable value declines below the carrying amount of the inventories and such write down to inventories are recognized in statement of profit & loss. When reason for such write down ceases to exists, then write down is reversed through statement of profit and loss account.

g. 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. If the effect of the time value of money is material, 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. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent Liability is disclosed after careful evaluation of facts, uncertainties and possibility of reimbursement, unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent liabilities are not recognized but are disclosed in notes.

Contingent assets are not disclosed in the financial statements unless an inflow of economic benefits is probable.

h. Revenue Recognition

I. Sale of goods

Revenue is measured at the fair value of the consideration received or receivable. Revenue is recognized when the significant risk and rewards of ownership have been transferred to the customer and it is probable that the economic benefits associated with the transaction will flow to the company. There is no continuing management involvement with the goods to the degree usually associated with the ownership. The amount of revenue and associated costs can be measured reliably. Amounts disclosed as revenue are inclusive of excise duty and net of GST, returns, trade discounts and volume rebates.

Incentives on exports are recognized in books after due consideration of certainty of utilization/ receipt of such incentives.

II. Sale of Services

Revenue from sale of services is recognized as per the terms of the contract with customers based on the stage of completion when the outcome of the transactions involving rendering of services can be estimated reliably.

III. Interest Income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the asset's net carrying amount on initial recognition. Interest income is included in other income in the statement of profit and loss.

IV. Dividends

Dividend income is recognized when the Company's right to receive dividend is established, and is included in other income in the statement of profit and loss.

V. Revenue from electricity generation

Revenue from electricity generation is recognized on the basis of electricity units generated and invoice raised on monthly basis.

i. Employee Benefits

I. Short Term Employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized 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.

II. Defined contribution plans

Employees benefits in the form of the Company's contribution to Provident Fund, Pension scheme, Superannuation Fund, National Pension scheme and Employees State Insurance are defined contribution schemes. The Company recognizes contribution payable to these schemes as an expense, when an employee renders the related service.

If the contribution payable exceeds contribution already paid, the deficit payable is recognized as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the end of the reporting period, the Company recognize that excess as an asset (prepaid expense) to the extent that the prepayment will lead to reduction in future payments or a cash refund.

III. Defined benefit plans

Retirement benefits in the form of gratuity are considered as defined benefit plans. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The company provides for its gratuity liability based on actuarial valuation of the gratuity liability as at the Balance Sheet date, based on Projected Unit Credit Method, carried out by an independent actuary. The company contributes to the gratuity fund, which are recognized as plan assets. The defined benefit obligation as reduced by fair value of plan assets is recognized in the Balance Sheet.

When the calculation results in a potential asset for the company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in Other Comprehensive Income. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognized in statement of profit & loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in statement of profit & loss. The company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

IV. Other long term employee benefits

Employee benefits in the form of long term compensated absences are considered as long term employee benefits. The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurement are recognized in statement of profit & loss in the period in which they arise.

The liability for long term compensated absences are provided based on actuarial valuation as at the Balance Sheet date, based on Projected Unit Credit Method, carried out by an independent actuary.

j. Foreign currency transactions

The financial statements are presented in Indian rupee, which is the company's functional and presentation currency. A company's functional currency is that of the primary economic environment in which the company operates.

Foreign currency transactions are translated into the functional currency using the exchange rate at the date of the transaction. Foreign exchange gains/losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognized in the statement of profit and loss.

k. Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

l. Income Tax

Income tax expense comprises current and deferred tax. It is recognized in statement of profit & loss except to the extent that it relates to items recognized directly in equity or in Other Comprehensive Income

I. Current Tax

Current tax comprises the expected tax payable on the taxable income for the year after taking credit of the benefits available under the Income Tax Act and any adjustment to the tax payable or receivable in respect of 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:

a) has a legally enforceable right to set off the recognized amounts; and

b) intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

II. Deferred Tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences. In contrast, deferred tax assets are only recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized.

The carrying value of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is measured at the tax rates that are expected to apply in the period when the liability is settled or the asset is realized based on the tax rates and tax laws that have been enacted or substantially enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to cover or settle the carrying value of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

i) The entity has a legally enforceable right to set off current tax assets against current tax liabilities;

and

ii) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the

same taxation authority on the same taxable entity.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability.

m. Segment Reporting

An operating segment is defined as a component of the entity that represents business activities from which it earns revenues and incurs expenses and for which discrete financial information is available. The operating segments are based on the company's internal reporting structure and the manner in which operating results are reviewed by the Chief Operating Decision Maker (CODM).

n. Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and short-term deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

o. Statement of cash flow

Cash flow statements are prepared in accordance with "Indirect Method" as explained in the Ind AS on Statement of Cash Flows (Ind AS - 7). The cash flows from operating, financing and investing activity of the company are segregated.

p. Lease

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

I. Finance Lease

Finance Lease that transfer substantially all of the risks and benefits incidental to ownership of the leased item, are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and a reduction in the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the statement of profit and loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

II. Operating Lease

Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by lessor are classified as operating leases. Payments under operating lease are recorded in the Statement of Profit and Loss on a straight line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

q. Earning per share

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

For the purpose of calculating diluted earning per Share, the net profit or loss for the period attributable to Equity Shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

r. Research and Development Expenses

Research and Development Expenses of revenue nature are charged to the Statement of Profit and Loss.

s. Basis of consolidation

The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with an entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. The financial statements of Subsidiary are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

The financial statements of the parent and its Subsidiary are prepared by line by line adding together like items of assets, liabilities, equity, income and expenses. Inter-Company balances and transactions, and any unrealized gains arising from inter-company transactions, are eliminated. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

Notes To Consolidated Financial Statements for the year ended 31st March, 2018

4. PROPERTY, PLANT & EQUIPMENT

(Rs. In lacs)

	Particulars	Land-Freehold	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Power Gen. Plant	Total
Deemed cost									
	As at April 01, 2016	**2,867.64**	**6,845.78**	**2,626.50**	**102.64**	**110.53**	**240.43**	**340.74**	**13,134.26**
	Additions		379.89	655.72	46.81	55.56	91.57	610.00	1,839.55
	Disposals	-0.24	-3.72	-5.79	-0.54	-13.10	-1.05	-	-24.44
	Balance as at March 31, 2017	**2,867.40**	**7,221.95**	**3,276.43**	**148.91**	**152.99**	**330.95**	**950.74**	**14,949.37**
	Balance at April 1, 2017	**2,867.40**	**7,221.95**	**3,276.43**	**148.91**	**152.99**	**330.95**	**950.74**	**14,949.37**
	Additions	149.63	58.20	332.13	21.69	19.60	101.09	-	682.33
	Disposals	-	-	-1.33	-0.02	-7.61	-1.18	-	-10.14
	Balance as at March 31, 2018	**3,017.03**	**7,280.15**	**3,607.23**	**170.57**	**164.97**	**430.86**	**950.74**	**15,621.56**
Accumulated Depreciation									
	Depreciation for the year	-	621.99	547.92	36.01	39.87	128.86	75.77	1450.42
	Disposals	-	-0.17	-0.09	-0.11	-3.51	-0.07	-	-3.95
	Balance as at March 31, 2017	**-**	**621.82**	**547.83**	**35.90**	**36.36**	**128.79**	**75.77**	**1,446.47**
	Depreciation for the year	-	575.93	518.51	34.56	35.33	114.51	101.22	1,380.06
	Disposals	-	-	-0.28	-0.01	-0.44	-0.04	-	-0.77
	Balance as at March 31, 2018	**-**	**1,197.75**	**1,066.06**	**70.46**	**71.24**	**243.26**	**176.99**	**2,825.76**
Net carrying value									
	Balance at April 1, 2016	**2,867.64**	**6,845.78**	**2,626.50**	**102.64**	**110.53**	**240.43**	**340.74**	**13,134.26**
	Balance at March 31, 2017	**2,867.40**	**6,600.13**	**2,728.60**	**113.01**	**116.63**	**202.16**	**874.97**	**13,502.90**
	Balance at March 31, 2018	**3,017.03**	**6,082.40**	**2,541.17**	**100.11**	**93.73**	**187.60**	**773.75**	**12,795.80**

Notes:

a. On transition date, as per Para D7AA of IND AS 101, the company has elected to continue with carrying value of all of it's property, plant and equipment as deemed cost. Hence net carrying value under previous GAAP as on 31st March 2016 is recognised as Deemed cost as on 01-04-2016

b. Refer note 17(a) for information on movable assets which are pledged as security by the company to banks

5. CAPITAL WORK IN PROGRESS

(Rs. In lacs)

	As at April 01, 2016	**5.18**
	Additions	700.47
	Less: Amount capitalized in Property, Plant & Equipment	(661.48)
	Balance at March 31, 2017	**44.17**
	As at April 01, 2017	**44.17**
	Additions	173.47
	Less: Amount capitalized in Property, Plant & Equipment	(209.96)
	Balance at March 31, 2018	**7.68**

6. OTHER INTANGIBLE ASSETS (Rs. In lacs)

	Particulars	Computer Software
	Deemed Cost	
	As at April 01, 2016	**200.45**
	Additions	114.67
	Disposals	-
	Balance as at March 31, 2017	**315.12**
	As at April 1, 2017	**315.12**
	Additions	57.45
	Disposals	-
	Balance as at March 31, 2018	**372.57**
	Amortization	
	Charge for the year	34.38
	Disposals	-
	Balance as at March 31, 2017	**34.38**
	Charge for the year	40.56
	Disposals	-
	Balance as at March 31, 2018	**74.94**
	Net Carrying Value	
	Balance as at April 1, 2016	**200.45**
	Balance as at March 31, 2017	**280.74**
	Balance as at March 31, 2018	**297.63**

a On transition date, as per Para D7AA of IND AS 101, the company has elected to continue with carrying value of all of it's other intangible assets as deemed cost. Hence net carrying value under previous GAAP as on 31st March 2016 is recognised as Deemed cost as on 01-04-2016

Notes To Consolidated Financial Statements for the year ended 31st March, 2018

7. INVESTMENTS (Rs. In lacs)

		As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
		No. of Shares/Units	Amount	No. of Shares/Units	Amount	No. of Shares/Units	Amount
	NON CURRENT						
	Investment in Equity Instruments						
a.	**Quoted- At Fair Value through Profit & Loss**						
	Equity PMS-Shares of Listed Companies	PMS	301.42	PMS	252.22	PMS	192.04
	PMS Advisor-Accuracap Consultancy Services Private Limited						
b.	**Unquoted- At Fair Value through Profit & Loss**						
	Units of India Build Out Fund-Venture Captial Fund	1,177.16	17.39	1,177.16	17.39	2,999.12	44.30
	Units of Edelweiss Alternative Equity Scheme	645,412.39	132.59	645,412.39	120.00	658,311.15	95.75
	Investment in debentures or bonds						
a.	**Quoted- At Fair Value through Profit & Loss**						
	NCD - Face Value of Rs. 100000/- each in Edelweiss Asset Reconstruction company Ltd	500.00	595.80	500.00	540.90	-	-
	NCD - Face Value of Rs. 100000/- each in IIFL Wealth Finance Limited	483.00	509.18	100.00	107.29	-	-
	NCD - Face Value of Rs. 100000/- each in ECAP Equities Limited	978.00	1,048.02	-	-	-	-
b.	**Quoted- At Amortised Cost**						
	7.35% Bonds - Face Value of Rs. 1000/- each in Indian Railway Finance Corporation Limited	5,878.00	58.78	5,878.00	58.78	5,878.00	58.78
	7.28% Bonds - Face Value of Rs. 1000/- each in Indian Railway Finance Corporation Limited	30,200.00	302.00	30,200.00	302.00	30,200.00	302.00
	7.35% Bonds - Face Value of Rs. 1000/- each in National Highway Authority of India	14,285.00	142.85	14,285.00	142.85	14,285.00	142.85
	7.39% Bonds - Face Value of Rs. 1000/- each in National Highway Authority of India	7,709.00	77.09	7,709.00	77.09	7,709.00	77.09
	7.49% Bonds - Face Value of Rs. 1000/- each in Indian Renewable Energy Development Agency Ltd	34,060.00	340.60	34,060.00	340.60	34,060.00	340.60
	7.39% Bonds - Face Value of Rs. 1000/- each in Housing and Urban Development Corp Ltd	7,007.00	70.07	7,007.00	70.07	7,007.00	70.07
	7.35% Bonds - Face Value of Rs. 1000/- each in National Bank for Agriculture and Rural Development	5,010.00	50.10	5,010.00	50.10	5,010.00	50.10
	7.11% Bonds - Face Value of Rs. 1000/- each in Power Finance Corporation Limited	2,567.00	25.67	2,567.00	25.67	2,567.00	25.67
	18.50% NCD - Face Value of Rs. 1000000/- each of Manyata Developers Private Limited	20.00	128.85	20.00	204.59	20.00	211.03
c.	**Unquoted- At Amortised Cost**						
	Units of Annuties In Senior Secured Estate Fund	491,792.54	491.79	500,000.00	500.00	500,000.00	500.00
	Units of IIFL Real Estate Fund-Series 2	47,09,658.52	386.63	47,09,658.52	500.00	47,09,658.52	500.00
	Units of Religare Credit Investment Trust	38.31	67.46	181.43	276.64	368.20	475.48
	Units of ICICI Prudential Real Estate	146,799.80	148.86	146,799.80	148.86	146,799.80	148.86
	Units of IIFL Real Estate Fund-Series 3	1,850,000.00	110.12	1,850,000.00	171.01	PMS	182.00
d.	**Unquoted- At Fair Value through Profit & Loss**						
	Units of UTI Structured Debt Opportunities Fund	12,587,261.04	126.04	-	-	-	-

(Rs. In lacs)

	Investment in Mutual Funds	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
		No. of Shares/Units	Amount	No. of Shares/Units	Amount	No. of Shares/Units	Amount
a.	**Quoted- At Fair Value through Profit & Loss**						
	Units of Reliance Fixed Horizon Fund-XXX-Series 13	2,500,000.00	295.23	2,500,000.00	275.79	2,500,000.00	251.68
	Units of Reliance Fixed Horizon Fund-XXX-Series 17	1,500,000.00	176.42	1,500,000.00	164.64	1,500,000.00	150.00
	Units of UTI Fixed Term Income Fund Series-1182 Days	3,000,000.00	355.08	3,000,000.00	332.01	3,000,000.00	302.89
	Units of HDFC FMP 1161 Days Series 35	2,000,000.00	245.51	2,000,000.00	226.28	2,000,000.00	202.25
	Units of Reliance Fixed Horizon Fund-XXXV-Series 13	3,000,000.00	304.79	-	-	-	-
	Units of UTI Fixed Term Income Fund Series-1113 Days	3,000,000.00	310.04	-	-	-	-
	Units of UTI Fixed Term Income Fund Series-1204 Days	3,000,000.00	305.07	-	-	-	-
	Units of ICICI Prudential Fixed Maturity Plan Series 82-1203 Days	3,000,000.00	303.84	-	-	-	-
	Units of ICICI Prudential Fixed Maturity Plan Series 82-1215 Days	3,000,000.00	304.37	-	-	-	-
	Units of Aditya Birla Sun life Fixed Term Plan Series PB-1190 Days	3,000,000.00	304.46	-	-	-	-
	Units of Aditya Birla Sun life Fixed Term Plan Series PC-1169 Days	3,000,000.00	304.45	-	-	-	-
	Units of DSP Blackrock FMP Series 219-40M	3,000,000.00	304.48	-	-	-	-
	Units of DSP Blackrock FMP Series 220-40M	3,000,000.00	303.52	-	-	-	-
	Total Non Current Investment		**8,948.57**		**4,904.78**		**4,323.44**
	Aggregate amount of quoted investments and Market Value thereof		**7,467.68**		**3,170.88**		**2,377.05**
	Aggregate amount of unquoted investments		**1,480.89**		**1,733.90**		**1,946.39**
	Aggregate amount of impairment in value of investments		-		-		-
	CURRENT						
	Investment in Equity Instruments						
a.	**Unquoted- At Fair Value through Profit & Loss**						
	Units of Edelweiss Alpha Fund	100,000.00	1,028.49	-	-	-	-
	Investment in debentures or bonds						
a.	**Quoted- At Amortised Cost**						
	Units of ECL Finance Limited	-	-	-	-	210.00	293.40
	Investment in Mutual Funds						
a.	**Quoted- At Fair Value through Profit & Loss**						
	Units of UTI Liquid Cash Plan-Dividend Reinvestment	78,556.02	800.84	170,220.73	1,735.31	144,787.60	1,476.03
	Units of UTI Fixed Income Interval Fund-III-QIP-Growth	-	-	-	-	990,555.06	201.81
	Units of UTI Spread Fund-Dividend Reinvestment/Payout	6,003,437.24	1,000.83	-	-	1,294,098.12	209.24
	Units of Edelweiss Arbitrage Fund-Dividend Payout	2,426,988.11	297.22	-	-	1,928,212.64	199.16
	Units of SBI Arbitrage Opportunities Fund-Dividend Payout	2,257,132.54	300.86	-	-	759,941.94	99.67
	Units of ICICI Pru Ultra Short Term-Dividend Reinvestment	-	-	-	-	2,003,258.15	202.46
	Units of ICICI Pru Saving Fund-Dividend Reinvestment	-	-	-	-	100,978.63	101.29
	Units of ICICI Pru Equity Arbitrage-Dividend Reinvestment/Payout	2,180,771.41	297.46	-	-	759,194.02	104.39
	Units of ICICI Pru Regular Savings Fund-Dividend Payout	-	-	-	-	3,859,476.46	398.93
	Units of HDFC Arbitrage Fund-Dividend Reinvestment/Payout	9,493,709.88	999.12	-	-	1,001,870.35	104.57
	Units of Aditya Birla Sun Life Enhanced Arb Fund-Dividend Payout	5,733,316.47	997.31	-	-	1,839,469.50	199.27
	Units of Kotak Equity Arbitrage Fund-Dividend Payout-Regular Plan	2,796,915.94	299.07	-	-	1,859,461.87	199.88
	Units of Kotak Income Opp. Fund-Dividend Payout	-	-	-	-	1,965,273.62	201.69
	Units of IDFC Arbitrage Fund-Dividend Payout	2,368,695.32	299.88	-	-	1,592,014.46	200.69
	Units of Reliance Arbitrage Advantage Fund-Dividend Payout	8,845,134.20	1,002.89	-	-	1,904,453.57	199.93

Notes To Consolidated Financial Statements for the year ended 31st March, 2018

(Rs. In lacs)

		As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
		No. of Shares/Units	Amount	No. of Shares/Units	Amount	No. of hares/Units	Amount
	Units of Reliance Medium Term Fund-Dividend Reinvestment	-	-	-	-	1,188,996.35	203.27
	Units of Reliance Quarterly Interval Fund-Growth	-	-	-	-	1,463,635.96	303.68
	Units of Reliance Banking & PSU Debt Fund-Growth	2,029,336.08	255.89	-	-	-	-
	Units of Axis Enhanced Arbitrage Fund-Dividend Payout	5,733,316.47	601.19	-	-	-	-
	Units of HDFC Medium Term Opportunities Fund-Growth	1,319,560.64	256.10	-	-	-	-
	Units of Aditya Birla Sun Life Short Term Fund-Growth	386,298.46	256.68	-	-	-	-
	Units of Kotak Equity Arbitrage Fund-Dividend Payout-Direct Plan	2,735,379.40	300.66	-	-	-	-
	Units of IDFC Corporate Bond Fund-Growth	2,154,708.04	256.16	-	-	-	-
	Total Current Investment		**9,250.65**		**1,735.31**		**4,899.36**
	Aggregate amount of quoted investments and Market Value thereof		**8,222.16**		**1,735.31**		**4,899.36**
	Aggregate amount of unquoted investments		**1,028.49**		**-**		-
	Aggregate amount of impairment in value of investments		**-**		**-**		-

8. LOANS

(Rs. In lacs)

	Unsecured, Considered good unless otherwise stated	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
	Non Current			
	Loans to employees	5.62	9.27	8.69
	Security Deposits	374.96	352.65	330.90
		380.58	**361.92**	**339.59**
	Current			
	Loans to employees	71.91	66.77	61.59
	Security Deposits	8.72	20.64	14.50
	Loans to corporates and others	3,200.00	600.00	1,950.00
		3,280.63	**687.41**	**2,026.09**

9. OTHER FINANCIAL ASSETS

	Unsecured, Considered good unless otherwise stated			
	Non Current			
	Fixed Deposits With Banks*	101.31	95.03	88.67
	Claim Receivable	32.88	32.88	32.89
		134.19	**127.91**	**121.56**
	Current			
	Income Accrued On Investment	53.22	78.91	66.24
	Claim Receivable	416.24	470.12	408.88
		469.46	**549.03**	**475.12**
	Footnotes :			
a.	*Includes interest accured thereon			

Notes To Consolidated Financial Statements for the year ended 31st March, 2018

10. INVENTORIES

(Rs. In lacs)

		As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
	Raw materials*	6,570.93	6,076.57	3,678.71
	Packing materials**	1,674.87	1,754.72	1,330.93
	Work in Progress	674.50	613.89	553.42
	Finished Goods***	9,144.17	14,387.86	8,995.48
	Stock in Trade	2,321.70	3,555.41	2,663.35
	Store and spares	112.40	58.66	34.51
	TOTAL	**20,498.57**	**26,447.11**	**17,256.40**
	Footnotes :			
a.	The mode of valuation of inventories has been stated in note no 2(f)			
b.	Refer note 17(a) for information on Inventories pledged as security by the company to banks			
c.	*: Stock of Raw Materials includes value of goods in transit of Rs. 530.86 lacs [March 31,2017 : Rs. 101.68 lacs and March 31, 2016 : Rs. 454.14 lacs]			
d.	**: Stock of Packing Materials includes value of goods in transit of Rs. 46.47 lacs [March 31,2017 : Rs. 15.59 lacs and March 31, 2016 : Rs. 31.60 lacs]			
e.	***: Stock of Finished Goods includes value of goods in transit of Rs. 22.30 lacs [March 31,2017 : Rs. 69.84 lacs and March 31, 2016 : Rs. 68.32 lacs]			

11. TRADE RECEIVABLES

	Unsecured, Considered good*	20,796.75	18,384.39	18,537.39
	Doubtful	146.33	44.77	38.23
	Less: Allowance for doubtful debts (expected credit loss allowance)	(146.33)	(44.77)	(38.23)
	TOTAL	**20,796.75**	**18,384.39**	**18,537.39**
	Footnotes :			
a.	*Of the above, trade receivable from related parties are given below.			
	Unsecured, considered good	**0.47**	-	-
b.	Refer note 17(a) for information on Trade Receivable pledged as security by the company to banks			
c.	Refer note 42(a) for information on ECL allownace for trade receivables			

12. CASH & CASH EQUIVALENTS

	Cash & Cash Equivalents			
	Balance With Banks In Current Account	11.67	86.51	9.21
	Cash on Hand	46.43	41.09	84.05
	Cheques / Drafts In Hand	2.50	128.30	-
	Fixed Deposits With Banks*	1,000.15	96.63	-
		1,060.75	**352.53**	**93.25**
	Bank Balance other than Cash and Cash Equivalents			
	Balance With Banks In Unpaid Equity Dividend Account**	83.34	82.12	125.06
		83.34	**82.12**	**125.06**
	Footnotes :			
a.	*Includes interest accured thereon			
b.	**Earmarked against the corresponding unclaimed dividend liabilities as shown under the head "Other financial liabilities"			

13. CURRENT TAX ASSETS

	Current Tax Assets (Net)			
	Advance Income Tax (Net of Provision for Income Tax)	257.43	233.83	317.48
		257.43	**233.83**	**317.48**

Notes To Consolidated Financial Statements for the year ended 31st March, 2018

14. OTHER ASSETS

(Rs. In lacs)

		As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
	Unsecured, Considered good unless otherwise stated			
	Non Current			
	Capital Advance	1,792.57	1,810.70	2,056.82
	Receivables from Govt. Authorities	72.85	11.85	15.98
	Deposits with Public Authorities	59.25	27.54	24.80
	Prepaid expenses	15.13	21.38	8.05
	Prepaid Lease Rental	18.31	29.45	36.11
	Advances To Vendor	0.20	4.04	3.97
	Other Advances	21.10	16.80	23.59
		1,979.41	**1,921.76**	**2,169.32**
	Current			
	Prepaid expenses	158.35	169.97	95.12
	Prepaid Lease Rental	16.02	16.65	14.23
	Advances To Vendor	953.47	407.71	762.08
	Receivables from Govt. Authorities	835.45	1,180.43	522.09
	DEPB Licence In Stock	-	24.83	148.12
	Other Advances*	61.98	65.12	58.85
		2,025.27	**1,864.71**	**1,600.49**
	Footnotes :			

a. *Includes advances given to employees

15. EQUITY SHARE CAPITAL

(Rs. In lacs)

		As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
	Authorized Share capital			
	14,21,00,000 equity shares of Rs.2/- each	2,842.00	2,842.00	2,842.00
	Issued, subscribed and fully paid up			
	4,90,78,324 equity shares of Rs.2/- each	981.57	981.57	1,000.39
	[Last Year 4,90,78,324 equity shares of Rs.2/- each]	**981.57**	**981.57**	**1,000.39**
	Notes:			

		As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
		No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
a.	**Reconciliation of the shares outstanding at the beginning and at the end of the year**						
	Opening	49,078,324	981.57	50,019,500	1,000.39	50,019,500	1,000.39
	Issued during the period	-	-	-	-	-	-
	Extinguished during the period*	-	-	941,176	18.82	-	-
	Closing at the end of the year	**49,078,324**	**981.57**	**49,078,324**	**981.57**	**50,019,500**	**1,000.39**

*Pursuant to the approval of the Board of Directors on November 10, 2016 and Shareholders of the Company through postal ballot, results of which were declared on January 2, 2017, the Company bought back 9,41,176 equity shares (representing 1.88% of the equity capital) at a price of Rs. 850/- per equity share aggregating to Rs. 80 Crores through the tender offer route, in terms of Public Announcement dated January 4, 2017. After extinguishment of 9,41,176 Equity Shares on March 27, 2017, the Issued, Subscribed and Paid-up Equity Capital of the Company reduced from 5,00,19,500 equity shares to 490,78,324 equity shares.

b.	**Terms/Rights attached to Issued Equity Shares**
1	The Company has only one class of Equity Shares having at par value of Rs.2/- per share. Each Equity share is entitled to one vote.
2	In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts.
3	The distribution will be in proportion to the number of Equity Shares held by the shareholders.

c. Details of shareholders holding more than 5% shares in the company (Rs. In lacs)

Name of Shareholder	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	No. of Shares (In Lacs)	% holding	No. of Shares (In Lacs)	% holding	No. of Shares (In Lacs)	% holding
M/s. Triveni Trust	298.46	60.81%	298.46	60.81%	303.40	60.66%
M/s. Pushpa Dhanuka Trust	53.29	10.86%	53.29	10.86%	54.17	10.83%
M/s. DSP Blackrock Trustee Co. Pvt Ltd	35.89	7.31%	26.70	5.44%	0.00	0.00%
M/s. HDFC Trustee Company Limited	15.30	3.12%	16.72	3.41%	27.00	5.40%

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

d. **The Company does not have any holding / ultimate holding company**

16. OTHER EQUITY

(Rs. In lacs)

Reserves and Surplus	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Capital Reserve			
Balance at the beginning of the Financial year	95.47	95.47	95.47
Addition during the Financial year	-	-	-
Deduction during the Financial year	-	-	-
	95.47	**95.47**	**95.47**
Capital Reserve includes profit on merger of entities			
Capital Redemption Reserve			
Balance at the beginning of the Financial year	18.82	-	-
Addition during the Financial year	-	18.82	-
Deduction during the Financial year	-	-	-
	18.82	**18.82**	**-**
Capital Redemption Reserve created on redemption of Equity shares			
Securities premium reserve			
Balance at the beginning of the Financial year	-	3,308.25	3,308.25
Addition during the Financial year	-	-	-
Less: Buy back of shares	-	(3,308.25)	-
	-	**-**	**3,308.25**
Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.			
General Reserve			
Balance at the beginning of the Financial year	2,455.03	5,952.78	5,952.78
Add: Transferred during the year	-	1,194.00	-
Less: Buy back of shares	-	(4,691.75)	-
	2,455.03	**2,455.03**	**5,952.78**
Retained Earnings			
Balance at the beginning of the Financial year	48,620.27	37,709.38	37,709.38
Addition during the Financial year	12,617.77	12,187.40	-
Add/ (Less):			
Remeasurements of the defined benefit plans through OCI	82.77	(82.51)	-
Dividend paid including Dividend Distribution Tax (DDT)	(1,535.82)	-	-
Transfer to General Reserves	-	(1,194.00)	-
	59,784.99	**48,620.27**	**37,709.38**
Total	**62,354.32**	**51,189.59**	**47,065.87**
Actuarial gains and losses for defined benefit plans are recognized through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.			
Detail of Dividend Proposed and Paid			

(Rs. In lacs)

		As at March 31, 2018	As at March 31, 2017
a.)	**Dividend Paid**		
	Final Dividend Declared for F.Y. 2016-17 [Dividend Paid Rs. 0.60/- per share]	294.47	-
	Dividend Distribution Tax	59.96	-
	Interim Dividend Declared for F.Y. 2017-18 [Dividend Paid Rs. 2.00/- per share]	981.57	-
	Dividend Distribution Tax	199.82	-
		1,535.82	**-**
b.)	**Proposed Dividend**		
	After the reporting date, the Board of Directors of the Company has recommended a final dividend of Rs 3.50 per Equity share amounting to Rs 1717.74 Lacs excluding applicable taxes for the financial year 2017-18.		
	The dividend proposed by the Directors are subject to approval at the annual general meeting. The dividend including tax has not been recognised as liability.		

17. BORROWINGS (CURRENT)

(Rs. In lacs)

		As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
	Secured			
	From Banks-Loan Repayable on Demand			
	Cash Credit limits from Banks	465.51	288.69	765.37
	Over Draft Against Pledge of FDR	6.14	-	4.10
	Buyers Credit availed from Banks	-	500.56	-
		471.65	**789.25**	**769.47**
	Footnotes :			
a.	Loan from Banks are secured by hypothecation of stocks of raw materials, work in process, finished goods,book debts and other movable assets on pari-passu basis and by joint and several gurantee of the Directors of the Company. Loan from Banks are repayable on demand and carried interest @ 8.70% to 9.95% P.A.			

18. TRADE PAYABLES

	Sundry creditors			
	Total outstanding dues of micro and small enterprises	662.61	323.94	790.92
	Other Trade Payables*	7,638.00	5,375.08	5,272.83
		8,300.61	**5,699.02**	**6,063.75**
	Footnotes :			
a.	*Includes amount due to related parties amounting to Rs. 575.46 Lacs (March 31, 2017 Rs. 309.80 Lacs, April 1, 2016 Rs. 333.18 Lacs)			
b.	Refer note 40 for information on toal outstanding dues of micro enterprises and small enterprises			

19. OTHER FINANCIAL LIABILITIES

	Non Current			
	Security Received from Customers*	1,457.39	1,656.61	1,707.58
	Security Received from Vendor	633.48	633.48	237.49
	Security received from Staff	3.51	7.30	8.41
	Payable for Capital purchases	247.22	243.93	293.57
	Other Payable	9.81	104.46	15.60
		2,351.41	**2,645.78**	**2,262.65**
	Current			
	Unclaimed Dividend**	83.34	82.12	125.06
	Payable for Capital purchases	114.00	80.56	37.92
	Other Payable***	3,883.64	4,164.21	3,884.12
		4,080.98	**4,326.89**	**4,047.10**
	Footnotes :			
a.	*Security Received from Customers includes Security Received from Retailers and C&F Agents			
b.	**There are no outstanding dues to be paid to Investor Education & Protection Fund.			
c.	***Other payables includes Employee related costs and provision of Expenses and discounts and rebates on sale.			

20. PROVISIONS

(Rs. In lacs)

		As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
	Provision For Employee Benefits			
	Non Current			
	Provision for Gratuity	103.72	191.92	347.67
	Provision for Compensated absences	74.60	445.80	-
		178.32	**637.72**	**347.67**
	Current			
	Provision for Compensated absences	24.78	148.41	432.23
		24.78	**148.41**	**432.23**
a.	**Footnotes :**			
	Refer note 35(b) for information on Defined benefit plan-Gratuity			

21. DEFERRED TAX LIABILITIES (NET)

	Deffered Tax Liabilities	1,387.53	1,279.99	868.22
	Deffered Tax Assets	(54.04)	(20.72)	(20.27)
		1,333.49	**1,259.27**	**847.95**

		As at April 1, 2017	Recognized in P&L	As at March 31, 2018
	Deferred tax (assets)/ liabilities are attributable to the following items;			
	Deferred Tax Liabilities			
	Property, plant, equipment and Intangible assets	1,202.86	(0.69)	1,202.17
	Investments	77.12	108.23	185.36
	Total-(A)	**1,279.99**	**107.54**	**1,387.53**
	Deferred Tax Assets			
	Amalgamation Expenses	(5.22)	1.82	(3.40)
	Trade Receviable	(15.49)	(35.15)	(50.64)
	Total-(B)	**(20.72)**	**(33.32)**	**(54.04)**
	Net Deferred Tax Liability (A+B)	**1,259.27**	**74.22**	**1,333.49**

		As at April 1, 2016	Recognized in P&L	As at March 31, 2017
	Deferred tax (assets)/ liabilities are attributable to the following items;			
	Deferred Tax Liabilities			
	Property, plant and equipment	865.27	337.59	1,202.86
	Investments	2.95	74.17	77.12
	Total-(A)	**868.22**	**411.76**	**1,279.99**
	Deferred Tax Assets			
	Amalgamation Expenses	(7.04)	1.82	(5.22)
	Trade Receviable	(13.23)	(2.27)	(15.49)
	Total-(B)	**(20.27)**	**(0.44)**	**(20.72)**
	Net Deferred Tax Liability (A+B)	**847.95**	**411.32**	**1,259.27**

22. OTHER LIABILITIES

		As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
	Non Current			
	Advances from customers	7.93	15.04	18.41
		7.93	**15.04**	**18.41**
	Current			
	Advances from customers	1,131.89	1,644.85	1,638.31
	Statutory dues payable	1,049.76	2,143.23	1,130.64
		2,181.65	**3,788.08**	**2,768.95**

Notes To Consolidated Financial Statements for the year ended 31st March, 2018

23. REVENUE FROM OPERATION

(Rs. In lacs)

	For the year ended March 31, 2018	For the year ended March 31, 2017
Sales of products		
Finished Goods		
-Agrochemical	81,160.36	82,713.19
Traded Goods		
-Agrochemical	15,442.29	14,305.55
(A)	**96,602.65**	**97,018.74**
Other operating revenues		
Income From Power Generation Plant	168.30	127.70
Other Sales	109.28	140.28
Tax Incentive from J&K Govt.	744.19	2,790.39
TOTAL (B)	**1,021.77**	**3,058.37**
Total Revenue (A)+(B)	**97,624.42**	**100,077.11**

24. OTHER INCOME

Interest Income on Financial Assets at amortised cost	366.22	747.00
Dividend Income	338.87	268.60
Net Gain on sale of investments	46.56	128.01
Net Gain on Investments measured at fair value through profit or loss	314.49	215.79
Other Non-Operating Income		
Rent Received	2.64	2.64
Miscellaneous Receipts	400.43	78.62
Job Work Income	-	25.85
Net Gain On Foreign Currency Transactions	98.69	235.65
Net Profit on disposal of property, plant and equipment	4.46	38.21
Liabilities No Longer Required, Written Back	30.70	10.94
	1,603.06	**1,751.31**

25. COST OF MATERIALS CONSUMED

Raw Materials		
Inventories at the beginning of the financial year	6,076.57	3,678.71
Add : Purchases	33,925.10	41,079.89
Less : Inventories at the end of the finacial year	(6,570.93)	(6,076.57)
Cost of Raw Material Consumed (A)	**33,430.74**	**38,682.03**
Packing Materials		
Inventories at the beginning of the financial year	1,754.72	1,330.93
Add : Purchases	5,225.69	6,760.63
Less : Inventories at the end of the finacial year	(1,674.87)	(1,754.72)
Cost of Packing Materials Consumed (B)	**5,305.54**	**6,336.84**
(A)+(B)	**38,736.28**	**45,018.87**

26. PURCHASE OF STOCK IN TRADE

Agrochemical	11,070.33	11,194.13
	11,070.33	**11,194.13**

27. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN -TRADE AND WORK-IN-PROGRESS

Inventories at the end of the period		
Stock in Trade	2,321.70	3,555.41
Work in Progress	674.50	613.89
Finished Goods	9,144.17	14,387.86
	12,140.37	**18,557.16**
Inventories at the beginning of the period		
Stock in Trade	3,555.41	2,663.35
Work in Progress	613.89	553.42
Finished Goods	14,387.86	8,995.48
	18,557.16	**12,212.25**
(Increase)/Decrease in Inventories	**6,416.79**	**(6,344.91)**

Notes To Consolidated Financial Statements for the year ended 31st March, 2018

28. EMPLOYEES BENEFIT EXPENSES

(Rs. In lacs)

		For the year ended March 31, 2018	For the year ended March 31, 2017
	Salaries, wages and bonus	9,410.34	8,598.89
	Contribution to Provident & Other funds	453.16	422.62
	Gratuity	186.70	109.41
	Compensated absences	339.13	309.91
	Staff Welfare Expenses	257.05	249.71
		10,646.38	**9,690.54**
	Footnotes :		
a.	Refer note 35(a) for information on Defined Contribution plan		
b.	Refer note 35(b) for information on Defined benefit plan-Gratuity		
c.	Refer note 35(c) for information on Other employee benefits-Compensated absences		

29. FINANCE COST

	Interest on bank overdraft & working capital limits	9.59	12.12
	Interest on Security Deposits	77.75	86.41
		87.34	**98.53**

30. DEPRECIATION AND AMORTIZATION EXPENSES

	Depreciation on Property, Plant & Equipment	1,380.06	1,450.42
	Amortization of Intangible Assets	40.56	34.38
		1,420.62	**1,484.80**

31. OTHER EXPENSES

	Power,fuel,electricity & water charges	202.49	193.51
	Consumable Stores	74.62	94.77
	Packing Charges	143.25	168.28
	Repair & Maintenance, Machinery	107.10	93.97
	Repair & Maintenance, Factory Building	74.10	114.28
	Incineration Charges	7.44	2.01
	Security Charges	72.28	55.20
	Laboratory expenses	24.06	23.95
	ISI Marking Fees	7.94	10.11
	R&D expenses	180.13	207.62
	Travelling and conveyance	1,239.98	1,026.38
	Communication Expenses	141.68	209.56
	Postage and Telegram	43.12	35.18
	Printing and Stationery	57.78	65.46
	Office and Godown Rent	551.51	514.49
	Rates and Taxes	65.54	85.68
	Insurance Charges	63.66	48.90
	Legal and Professional Charges	285.51	333.33
	Repair & Maintenance-Building	199.16	220.11
	Repair & maintenance-Other	143.55	158.73
	Security Charges-Offices	23.21	34.38
	Electricity & Water Charges	67.34	64.25
	Books and Periodicals	2.50	1.17
	Recruitment Expenses	51.85	29.05
	Fees and Subscription	40.89	22.75
	Charity and Donation	6.48	2.46
	Bank Charges	18.07	10.97
	Miscellaneous Expenses	12.46	13.28
	Meeting Fees	14.38	14.84
	Payment To Auditors	15.20	19.30
	Vehicles Hiring & Maintenance	1,288.88	1,073.91
	Derivative and Forward Premium	-	14.62
	CSR Expenses	294.21	265.55
	Education and Seminar	643.49	435.98
	Advertisement and Publicity	1,011.04	878.22
	Business Promotion Expenses	100.01	97.50
	Bad Debts	127.64	32.00

Notes To Consolidated Financial Statements for the year ended 31st March, 2018

(Rs. In lacs)

		For the year ended March 31, 2018	For the year ended March 31, 2017
	Freight & Cartage on STV & Sales	2,996.91	2,754.14
	Field Assistant Expenses	1,311.87	1,347.67
	C&F Commission	1,076.69	1,015.93
		12,788.02	**11,789.49**
a.	**Payment to Auditors**		
	Statutory Auditors		
	Statutory Audit Fees	7.00	7.00
	Taxation Matters	-	5.00
	Cost Auditors		
	Cost audit Fees	2.20	2.00
	Reimbursement of expenses	-	0.20
	Internal Auditors		
	Internal Audit Fees	6.00	5.10
	TOTAL	**15.20**	**19.30**
b.	**Amount Spent on CSR Activities**		
	Gross amount required to be spent by the company during the year	292.77	257.61
	Amount spent during the year		
	Promotion of Education	194.51	152.48
	Preventive Healthcare	61.54	23.21
	Eradicating Hunger	36.00	38.75
	Livelihood Enhancement Projects	1.15	1.00
	Facilities for Senior Citizens	1.00	-
	Environmental Sustainability	-	50.11
		294.20	**265.55**

32. INCOME TAX EXPENSE

a.	**Income tax recognized in profit or loss**		
	Current tax expense		
	Current Tax	4,458.67	4,553.29
	Tax of earlier year provided / written back	(449.87)	2.67
	Deferred tax expense		
	Origination and reversal of temporary differences	74.22	411.32
		4,083.02	**4,967.28**
b.	**Reconciliation of effective tax rate**		
	Profit before tax	16,700.79	17,154.68
	Tax using the Company's domestic tax rate (34.608%)	5,779.81	5,936.89
	Effect of Expenses not deductible for tax purpose	86.85	43.08
	Effect of Income Exempt from tax	(151.28)	(125.70)
	Effect of Concessions and Tax incentives	(1,305.62)	(906.13)
	Effect of Lower tax Rate for the long term capital gain	-	(0.30)
	Other	28.64	(28.55)
	Adjustment in respect of current tax related to earlier years	(449.87)	2.67
	Adjustment in respect of Deferred tax related to earlier years	94.49	45.32
	Income tax Expenses recognised in the statement of profit and loss	**4,083.02**	**4,967.28**

33. OTHER COMPREHENSIVE INCOME

	(i) Items that will not be reclassified to profit or loss Remeasurements of the defined benefit plans	82.77	(82.51)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-
	(i) Items that will be reclassified to profit or loss	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-
		82.77	**(82.51)**

34. Earning per share (EPS)

	Net Profit for Basic & diluted EPS (Rs. In Lacs)	12,617.77	12,187.40
	Number of Equity Shares at the beginning of the year	49,078,324.00	50,019,500.00
	Add: Shares issued during the year	-	-
	Less : Shares bought back during the year	-	941,176.00
	Total Number of Shares outstanding at the end of the year	49,078,324.00	49,078,324.00
	Weighted Average number of Equity Shares outstanding during the year	49,078,324.00	50,001,450.00
	Earning Per Share - Basic (Rs.)	**25.71**	**24.37**
	Earning per share - Diluted (Rs.)	**25.71**	**24.37**
	Face value per share (Rs.)	**2.00**	**2.00**

35. EMPLOYEE BENEFITS

The company participates in defined contribution and benefit schemes, the funded assets of which are held in separately administered funds. For defined contribution schemes the amount charged to the statements of profit & loss is the total of contributions payable in the year

a. Defined Contribution Plan

The Company has Defined Contribution Plans for post-employment benefits namely Provident Fund, Superannuation Fund and National Pension Scheme, which are administered by appropriate Authorities.

The Company contributes to a Government administered Provident Fund, Employees' Deposit Linked Insurance Scheme and Employee Pension Scheme, on behalf of its employees and has no further obligation beyond making its contribution.

The Superannuation Fund and National Pension Scheme applicable to certain employees is a Defined Contribution Plan as the Company contributes to these Schemes which are administered by an Insurance Company and has no further obligation beyond making the payment to the Insurance Company.

The Company contributes to State Plans namely Employees' State Insurance Fund and has no further obligation beyond making the payment to them.

The Company's contributions to the above funds are charged to revenue every year.

The company has recognized an expense of Rs. 452.27 lacs (Previous year Rs. 419.80 lacs) towards the defined contribution plan.

b. Defined Benefit Plan

In accordance with the payment of Gratuity Act, 1972, the Company has a Defined Benefit Plan namely "Gratuity Plan" covering its employees. The Gratuity scheme is funded through Group Gratuity-cum-Life Assurance Scheme and the liability for the Gratuity plan is provided based on an actuarial valuation at the year-end. Remeasurement as a result of experience adjustments and changes in actuarial assumptions are recognized in other comprehensive income.

I. Changes in the Present Value of Obligation **(Rs. In lacs)**

Particulars	For the period ending	
	31-Mar-18	31-Mar-17
Present Value of Obligation as at the beginning	**1293.87**	**1017.53**
Current Service Cost	131.66	82.33
Interest Expense or Cost	87.53	79.27
Re-measurement (or Actuarial) (gain) / loss arising from:		
- change in demographic assumptions	-	(1.85)
- change in financial assumptions	(249.40)	266.36
- experience variance (i.e. Actual experience vs assumptions)	166.65	(100.50)
Past Service Cost	42.06	-
Benefits Paid	(367.88)	(49.26)
Present Value of Obligation as at the end	**1104.49**	**1293.87**

II. Changes in the fair value of plan assets **(Rs. In lacs)**

Particulars	For the period ending	
	31-Mar-18	31-Mar-17
Fair Value of Plan Assets as at the beginning	**1101.95**	**669.86**
Investment Income	74.55	52.18
Employer's Contribution	192.13	347.67
Benefits Paid	(367.88)	(49.26)
Return on plan assets , excluding amount recognized in net interest expense	0.02	81.50
Fair Value of Plan Assets as at the end	**1000.77**	**1101.95**

III. Assets and Liability (Balance Sheet Position)

(Rs. In lacs)

Particulars	As at		
	31-Mar-18	31-Mar-17	01-Apr-16
Present Value of Obligation	1104.49	1293.87	1017.53
Fair Value of Plan Assets	1000.77	1101.95	669.86
Surplus / (Deficit)	**(103.72)**	**(191.92)**	**(347.67)**
Effects of Asset Ceiling, if any	-	-	-
Net Asset / (Liability)	**(103.72)**	**(191.92)**	**(347.67)**

IV. Bifurcation of present value of obligation at the end of the year

(Rs. in lacs)

Particulars	As at	
	31-Mar-18	31-Mar-17
Current Liability (Short term)	377.97	277.96
Non-Current Liability (Long term)	726.52	1015.90
Present Value of Obligation	**1104.49**	**1293.87**

V. Expenses Recognized during the period

(Rs. In lacs)

Particulars	For the period ending	
	31-Mar-18	31-Mar-17
In Income Statement	186.70	109.41
In Other Comprehensive Income	(82.77)	82.51
Total Expenses Recognized during the period	**103.93**	**191.92**

VI. Actuarial Assumptions

(Rs. In lacs)

Particulars	As on	
	31-Mar-18	31-Mar-17
Discount rate (per annum)	7.50%	6.77%
Salary growth rate (per annum)	8.00%	12.00%
Mortality rate (% of IALM 06-08)	100%	100%
Attrition / Withdrawal rate (per annum)	15.00%	15.00%

VII. Sensitivity Analysis

(Rs. In lacs)

Particulars	31-Mar-18		31-Mar-17	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	1151.98	1061.00	1362.66	1231.39
(% change compared to base due to sensitivity)	4.3%	-3.9%	5.3%	-4.8%
Salary Growth Rate (- / + 1%)	1062.47	1149.55	1243.09	1346.57
(% change compared to base due to sensitivity)	-3.8%	4.1%	-3.9%	4.1%
Attrition Rate (- / + 50% of attrition rates)	1121.81	1091.58	1412.56	1227.84
(% change compared to base due to sensitivity)	1.6%	-1.2%	9.2%	-5.1%
Mortality Rate (- / + 10% of mortality rates)	1104.50	1104.48	1294.17	1293.57
(% change compared to base due to sensitivity)	0.0%	0.0%	0.0%	0.0%

VIII. Expected Contribution during the next annual reporting period

(Rs. In lacs)

The Company's best estimate of Contribution during the next year	199.06

IX. Maturity profile of defined Benefit obligation **(Rs. In lacs)**

Expected cash flows over the next (valued on undiscounted basis):	Amount
1 year	377.97
2 to 5 years	524.01
6 to 10 years	400.80
More than 10 years	290.07

X. Method and assumption related terms

1) **Discount Rate: -** Discount rate is the rate which is used to discount future benefit cash flows to determine the present value of the defined benefit obligation at the valuation date. The rate is based on the prevailing market yields of high quality corporate bonds at the valuation date for the expected term of the obligation. In countries where there are no such bonds, the market yields at the valuation date on government bonds for the expected term is used.

2) **Salary escalation Rate: -** The rate at which salaries are expected to escalate in future. It is used to determine the benefit based on salary at the date of separation.

3) **Attrition Rate: -** The reduction in staff/employees of a company through normal means, such as retirement and resignation. This is natural in any business and industry.

4) **Mortality Rate: -** Mortality rate is a measure of the number of deaths (in general, or due to a specific cause) in a population, scaled to the size of that population, per unit of time.

5) **Projected Unit credit method: -** The Projected Unit Credit Method (sometimes known as the accrued benefit method pro-rated on service or as the benefit/years of service method) considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. The Projected Unit Credit Method requires an enterprise to attribute benefit to the current period (in order to determine current service cost) and the current and prior periods (in order to determine the present value of defined benefit obligations).

c. Other employee benefits

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in statement of profit and loss.

The company has recognized an expense of Rs. 339.13 lacs (Previous year Rs. 309.91 lacs) towards the compensated absences.

36. CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

(Rs. In lacs)

S. No.	Particular	As at March 31, 2018	As at March 31, 2017
I	**Contingent Liabilities**		
a.	Claims against the company not acknowledged as debt*		
	-Income Tax	-	-
	-Excise Duty	771.30	562.23
	-Service Tax	176.25	176.25
	-Sales Tax	180.05	180.05
	-Litigation pending in consumer forum	53.95	54.00
b.	Guarantees excluding financial guarantees		
	-Bank Guarantees	8.25	20.00
c.	Other money for which the company is contingently liable		
	-'C' forms pending against central sales tax	0.62	11.97
II	**Commitments**		
	-Estimated amount of contracts remaining to be executed on capital account and not provided for	25.63	81.66

*Pending resolution of the respective proceedings, it is not practicable for the Company to estimate the timings of the cash outflows, if any, in respect of the above as it is determinable only on receipt of the judgements/ decisions pending with various forums / authorities.

The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The company also believes that the above issues, when finally settled are not likely to have any significant impact on the financial position of the Company.

37. LEASES

Lease rent paid for operating leases are recognized as an expense in the Statement of Profit and Loss in the year to which it relates.

The Company has taken certain office/Godown spaces and vehicles on operating lease basis. Future lease rents and escalation (to cover inflation) in rent have been determined on the basis of agreed terms. At the expiry of the initial lease term, generally the company has an option to extend the lease for a further pre-determined period.

Future rent payable for operating leases are as under:

(Rs. In lacs)

Particulars	As at March 31, 2018	As at March 31, 2017
-Payable within one year	605.41	586.11
-Later than one year but not later than five years	764.24	1113.52
-Later than five years	25.66	41.19
-Amount charged to statement of profit and loss	706.19	503.20

38. SEGMENT INFORMATION

The company has evaluated the applicability of segment reporting and has concluded that since the company has only one primary business segment i.e. Agro Chemicals and one geographical reportable segment i.e. Operations mainly within India. The overall performance is reviewed by the Chairman, Managing Director, Executive directors and CFO, which has been identified as the CODM (Chief operating decision makers) by the Company.

Thus the segment revenue, expenses, results, assets and liabilities are same as reflected in the financial statements as at and for the year ended 31 March, 2018

39. RELATED PARTY DISCLOSURES

a. Nature of Related Party Relationship

I. Subsidiaries

a.)	Dhanuka Agri-Solutions Pvt. Limited	Wholly owned Subsidiary

II. Key Management personnel

a.)	Sh. Ram Gopal Agarwal	Chairman
b.)	Sh. Mahendra Kumar Dhanuka	Managing Director
c.)	Sh. Arun Kumar Dhanuka	Executive Director
d.)	Sh. Rahul Dhanuka	Executive Director
e.)	Sh. Mridul Dhanuka	Executive Director
f.)	Sh. Ashish Saraf	Executive Director
g.)	Sh. Vinod Kumar Bansal	Chief Financial Officer
h.)	Sh. Kapil Garg	Company Secretary (till 21st Aug, 2017)
i.)	Smt. Jyoti Verma	Company Secretary (w.e.f. 13th Nov, 2017)

III. Relatives of Key Management Personnel with whom transactions have taken place

a.)	Sh. Harsh Dhanuka	Son of Sh. Mahendra Kumar Dhanuka
b.)	Smt. Megha Dhanuka	Wife of Sh. Mridul Dhanuka
c.)	Smt. Akangsha Dhanuka	Son's wife of Sh. MK Dhanuka
d.)	Smt. Madhuri Dhanuka	Wife of Sh. Rahul Dhanuka

IV. Entities controlled by KMP/Relative of KMP, with whom transactions have taken place

a.) Dhanuka Marketing Company
b.) Mridul Dhanuka HUF
c.) Dhanuka Private Limited
d.) Dhanuka Laboratories Limited
e.) Chiranji Lal Dhanuka Charitable Trust
f.) Hindon Mercantile Limited
g.) Exclusive Leasing and Finance Limited
h.) Sikkim Agro Industries Limited
i.) Golden Overseas Pvt. Limited
j.) M.D. Buildtech Pvt. Limited
k.) H.D. Realtors Pvt. Limited
l.) Dhanuka Infotech Pvt. Limited
m.) Otsuka Chemical (India) Pvt. Limited
n.) IKO Overseas
o.) Synmedic Laboratories

b. The following transactions were carried out with related parties in the ordinary course of business: (Rs. in lacs)

Transaction type	Type of Relation	2017-18			2016-17		
		Transaction during the period			Transaction during the period		
		Pur/Amt Rece	Sales/Amt Paid	Balance outstanding Dr.(Cr.)	Pur/Amt Rece	Sales/Amt Paid	Balance outstanding Dr.(Cr.)
Compensation to KMP							
Short term employee benefits	a(II)	-	1,866.97	-	-	1,803.41	-
Post-employment benefits		-	60.29	-	-	53.36	-
Total		**-**	**1,927.26**	**185.84**	**-**	**1,856.77**	**48.46**
Other Transactions							
Purchase of Goods	a(IV)d	19.96	-	-	3.78	-	-
Sales of Goods	a(IV)d	-	0.45	0.47	-	110.13	-
Services Rendered-Rent	a(IV)	-	2.64	-	-	2.64	-
Services Received-Rent	a(III) & a(IV)	132.57	-	(0.38)	124.05	-	(0.53)
Travel expenses	a(IV)a	-	6.62	(1.53)	-	4.80	-
Salary paid	a(III)a	-	55.55	-	-	48.95	-
Contribution towards CSR Activities	a(IV)e	-	150.00	-	-	120.00	-
Services Received-C&F Commission	a(IV)a	514.20	-	(573.55)	433.25	-	(309.27)

*The above post-employment benefits exclude gratuity which cannot be separately identified from the composite amount advised by the actuary.

c. Terms and conditions of transactions with related parties

All the transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. The company has not recorded any impairment of receivables relating to amounts owed by related parties for the year ended March 31, 2018 and March 31, 2017.

40. THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT (MSMED) ACT, 2006

The information regarding Micro, Small and Medium enterprises has been determined to the extent such parties have been identified on the basis of information available with the company:

(Rs. in lacs)

S. No.	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
1.)	Principal amount and Interest due thereon remaining unpaid to any supplier as on 31st March	662.61	323.94	790.92
2.)	Interest paid by the Company in terms of Section 16 of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year	-	-	-
3.)	The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-	-
4.)	The amount of interest accrued and remaining unpaid	-	-	-
5.)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of this Act.	-	-	-

41. FINANCIAL INSTRUMENTS

I. Financial Assets-Fair values

(Rs. in lacs)

Particulars	Fair Value Hierarchy	As at March 31,2018	As at March 31,2017	As at April 01,2016
1. Financial assets designated at fair value through profit and loss				
a) Investment				
i) In Equity Instruments	**Level-1**	301.42	252.22	192.04
ii) In Equity Instruments	**Level-2**	1178.47	137.39	140.05
iii) In mutual funds	**Level-1**	12039.42	2734.03	5512.78
iv) In Debentures or Bond	**Level-1**	2153.00	648.19	-
v) In Debt Instruments	**Level-2**	126.04	-	-
2. Financial assets designated at amortized cost				
a) Investment				
i) In Debentures or Bond		2400.87	2868.26	3377.93
a) Trade receivables		20796.75	18384.39	18537.39
b) Cash & Cash Equivalents		1060.75	352.18	93.25
c) Other bank balances		83.34	82.12	125.06
d) Loans		3661.21	1049.33	2365.69
e) Other Financial Assets		603.65	676.94	596.68

II. Financial Liabilities-Fair Value

(Rs. in lacs)

Particulars	Fair Value Hierarchy	As at March 31, 2018	As at March 31, 2017	As at April 01,2016
1. Financial liability designated at amortized cost				
a) Borrowings		471.65	789.25	769.47
b) Trade Payables		8300.61	5699.02	6063.75
c) Other Financial Liability		6432.40	6972.63	6309.75

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale

The carrying amounts of cash and cash equivalents, bank balance other than cash and cash equivalents, trade receivables, loans, trade payables, short term borrowings and other current financial assets and liabilities are considered to be the same as their fair values, due to their short-term nature.

III. Fair Value hierarchy

Level 1 - This includes financial instruments measured using quoted prices (Unadjusted) in active markets for identical assets and liabilities.

Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

42. FINANCIAL RISK MANAGEMENT

The Company's operational activities expose to various financial risks i.e. market risk, credit risk and risk of liquidity. The Company realizes that risks are inherent and integral aspect of any business. The company's board of directors has the overall responsibility for the management of these risks. The company has the risk management policies and systems in place and are reviewed regularly to reflect changes in market conditions and the company's activities. The primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The company's audit committee oversees how management monitors compliance with the risk management policies and procedures, and reviews the adequacy of risk management framework in relation to the risks faced by the company.

a.) Credit Risk

Credit Risk refers to the risk that a counter party will default on its contractual obligation resulting in financial loss to the company, and arises from the operating activities primarily from trade receivables. Trade receivables are typically unsecured and are derived from revenue earned from customers primarily located in India.

The company has established a credit policy under which each customer is analyzed individually for creditworthiness before the company's credit terms are offered. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business. Credit limits are established for each customer and reviewed periodically. Any sales order exceeding those limits require approval from the appropriate authority.

The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience. These loss rates are adjusted by considering the available, reasonable and supportive forward looking information.

Reconciliation of allowance for lifetime expected credit loss on customer balances:

(Rs. In Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017
Opening Balance	44.77	38.23
Changes in loss allowance	101.56	6.54
Closing balance	**146.33**	**44.77**

Credit risks from financial transactions are managed independently by finance department. For banks and financial institutions, the company has policies and operating guidelines in place to ensure that financial instrument transactions are only entered into with high quality banks and financial institutions. The company had no other financial instrument that represent a significant concentration of credit risk. The surplus funds are invested in bank deposits and mutual fund investments. So there is no impairment in these financial assets.

The company assessed the credit risk of these financial instruments. Based on the assessment there is no impairment in the other financial instruments.

b.) Liquidity Risk

Liquidity risks result from the possible inability of the company to meet current or future payment obligations due to lack of cash or cash equivalents. The liquidity risk is assessed and managed by the finance department as a part of day to day and medium term liquidity planning.

The company holds sufficient liquidity to ensure the fulfillment of all planned payment obligations at maturity. The company's liquidity risk policy is to maintain sufficient liquidity reserve at all times based on cash flow projections to meet payment obligation when it falls due. The primary source of liquidity is cash generated from operations.

Liquid assets are held mainly in the form of bank deposits and mutual fund investments. The company maintain flexibility in funding by maintaining availability under cash credit lines set up with banks.

The table below analyze the company's financial liabilities into relevant maturity groupings based on their contractual maturities for all financial liabilities essential for an understanding of timing of cash flows.

(Rs. In Lacs)

Particulars	Total	Less than 1year	1-5 years	More than 5 years
As at March 31, 2018				
Borrowings (Current)	471.65	471.65	-	-
Trade Payables	8300.61	8300.61	-	-
Security Received from customers	1457.39	-	-	1457.39
Security Received from Vendor and staff	636.99	-	636.99	-
Unclaimed Dividend	83.34	83.34	-	-
Other payable	4254.67	3997.54	257.03	-
As at March 31, 2017				
Borrowings (Current)	789.25	789.25	-	-
Trade Payables	5699.02	5699.02	-	-
Security Received from customers	1656.61	-	-	1656.61
Security Received from Vendor and staff	640.78	-	640.78	-
Unclaimed Dividend	82.12	82.12	-	-
Other payable	4593.16	4244.77	348.39	-
As at April 01, 2016				
Borrowings (Current)	769.47	769.47	-	-
Trade Payables	6063.75	6063.75	-	-
Security Received from customers	1707.58	-	-	1707.58
Security Received from Vendor and staff	245.90	-	245.90	-
Unclaimed Dividend	125.06	125.06	-	-
Other payable	4231.21	3922.04	309.17	-

c.) Market Risk

i. Currency Risk

Foreign currency risks for the company is from changes in exchange rates and the related changes in the value of financial instruments in the functional currency (INR). The company is exposed to foreign exchange risk arising from foreign currency transactions primarily with respect to US Dollar.

To Mitigate the currency fluctuation, receivables and payables in foreign currencies which arises from export and import of goods are hedged through forward exchange contracts.

Sensitivities were determined on the basis of a scenario in which the INR appreciated/depreciated by 5% against USD compared with the year-end exchange rates. In this scenario, the estimated hypothetical loss/gain of cash flows from financial instruments have been tabulated below:

(Rs. In lacs)

Particulars (USD Impact on profit or (loss) and total equity)	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Increase in exchange rate by 5%	(45.62)	(70.11)	(39.53)
Decrease in exchange rate by 5%	45.62	70.11	39.53

The company's exposure to changes in foreign currency other than USD is not material.

ii. Interest Rate Risk

The company has surplus cash position and does not have any major borrowings as on balance sheet date. So there is no material interest risk relating to the company's financial liabilities.

iii. Price Risk

The company is mainly exposed to the price risk due to its investment in mutual funds and classified in the balance sheet as fair value through profit and loss. Mutual fund investments are susceptible to market price risk, mainly arising from changes in the interest rates or market yields which may impact the return and value of such investments. However, due to very short tenor of the underlying portfolio in the liquid schemes, these do not pose any significant price risk.

There is no material equity risk relating to the company's equity investments which are details in note 7. The company's equity investments majorly comprise of strategic investments rather than trading purposes..

43. CAPITAL MANAGEMENT

The company manages its capital to ensure that the company will be able to continue as going concern while maximizing the return to stakeholders through optimization of debt and equity balance. Further its objective is to maintain an adequate capital base so as to maintain creditor and market confidence and to sustain future development.

44. STANDARDS ISSUED BUT NOT EFFECTIVE

On March 28, 2018, the Ministry of Corporate Affairs (MCA) has notified Ind AS 115 - Revenue from Contract with Customers and certain amendment to existing Ind AS. These amendments shall be applicable to the Company from April 01, 2018.

(a) Issue of Ind AS 115 - Revenue from Contracts with Customers

Ind AS 115 will supersede the current revenue recognition guidance including Ind AS 18 Revenue, Ind AS 11 Construction Contracts and the related interpretations. Ind AS 115 provides a single model of accounting for revenue arising from contracts with customers based on the identification and satisfaction of performance obligations.

(b) Amendment to Existing issued Ind AS

The MCA has also carried out amendments of the following accounting standards:

i. Ind AS 21 - The Effects of Changes in Foreign Exchange Rates

ii. Ind AS 12 - Income Taxes

Application of above standards are not expected to have any significant impact on the Company's Financial Statements.

45. FIRST TIME ADOPTION OF IND AS

These financial statements, for the year ended 31 March 2018, have been prepared in accordance with Ind AS, for the purposes of transition to Ind AS, the company has followed the guidance prescribed in Ind AS 101- First time adoption of Indian Accounting Standards, with 1st April, 2016 as the transition date.

Accordingly, the company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2016, together with the comparative period data as at and for the year ended 31 March 2017. In preparing these financial statements, the company's opening balance sheet was prepared as at 1 April 2016, the date of transition to Ind AS.

Ind AS 101- First time adoption of Indian accounting standards requires the company to reconcile equity, total comprehensive income and cash flows for previous years. The following reconciliations provide the explanations and quantification of the differences arising from the transition from previous GAAP to Ind AS in accordance with Ind AS 101.

Exemptions and exceptions availed:

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

a. Ind AS optional exemptions:

Ind AS 101 allow first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The company has applied the following exemptions:

i. Property, plant and equipment & Intangible assets

Ind AS 101 permits a first-time adopter to elect to

continue with the carrying value for all of its Property, Plant and Equipment & Intangible Assets as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

Accordingly, the company has elected to measure all of its Property, Plant and Equipment & Intangible Assets at their previous GAAP carrying value.

ii. Investment in subsidiaries, joint ventures and associate

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its investment in subsidiaries, joint ventures and associate as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

Accordingly, the Company has elected to measure its investments in subsidiary at previous GAAP carrying value.

iii. Business Combination

As per Ind AS 101, at the date of transition, an entity may elect not to restate business combinations that occurred before the date of transition. If the entity restates any business combinations that occurred before the date of transition, then it restates all later business combinations, and also applies Ind AS 110, Consolidated Financial Statements, from that same date.

The Company has opted not to restate business combinations that occurred before 1 April, 2016.

b. Ind AS mandatory exceptions

I. Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. However, the estimates should be adjusted to reflect any differences in accounting policies.

As per Ind AS, where application of Ind AS requires an entity to make certain estimates that were not required under previous GAAP, those estimates should reflect condition that existed at the date of transition (for preparing opening Ind AS balance sheet) or at the end of the comparative period (for presenting comparative information as per Ind-AS).

Ind AS estimates as at 1 April 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for Impairment of financial assets based on expected credit loss model, fair valuation of financial instruments carried at FVTPL in accordance with Ind AS at the date of transition as these were not required under previous GAAP.

ii. Classification and Measurement of Financial Assets

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortized cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable.

Accordingly, Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortized cost has been done retrospectively except where the same is impracticable.

iii. Derecognition of Financial Assets and Liabilities

As per Ind AS 101, an entity should apply the derecognition requirements in Ind AS 109, Financial Instruments, prospectively for transactions occurring on or after the date of transition to Ind AS. However, an entity may apply the derecognition requirements retrospectively from a date chosen by it if the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognized as a result of past transactions was obtained at the time of initially accounting for those transactions.

The company has elected to apply the derecognition principles of Ind AS 109 prospectively.

iv. Impairment of Financial Assets

An entity shall determine an approximate credit risk at the date when the financial instruments were initially recognized and compare that to the credit risk at the date of transition to Ind AS. This should be based on reasonable and supportable information that is available without undue cost or effort. If the entity is unable to make this determination without undue cost or effort, it shall recognize a loss allowance at an amount equal to lifetime expected credit losses at each reporting date until that financial instrument is derecognized.

c. **Reconciliations**

i. **Reconciliations of equity:** (Rs. in Lacs)

Particulars	Note No.	As at March 31, 2017	As at April 01, 2016
Equity under previous Indian GAAP		**51985.22**	**48044.01**
Fair valuation of investments, classified as fair value through profit and loss	i	224.61	8.82
Remeasurement of investments at amortized cost	i	(1.77)	(0.30)
Provision for expected credit losses on trade receivables	iii	(44.77)	(38.23)
Remeasurement of Security Deposit at amortized cost	ii	(10.80)	(11.10)
Reversal of Lease Equalization Reserve	vii	122.79	80.71
Deferred Tax Impact on above adjustments	v	(104.12)	(17.65)
Equity as per Ind AS		**52171.16**	**48066.26**

ii. **Reconciliation of total comprehensive income:** (Rs. in Lacs)

Particulars	Note No.	Year Ended 31.03.17
Net Profit as per previous Indian GAAP		**11941.20**
Fair valuation of investments, classified as fair value through profit and loss	i	215.79
Remeasurement of investments at amortized cost	i	(1.47)
Provision for expected credit losses on trade receivables	iii	(6.55)
Remeasurement of Security Deposit at amortized cost	ii	0.31
Reversal of Lease Equalization Reserve	vii	42.08
Actuarial (Gain)/Loss on employee defined benefit plan recognized in OCI	vi	82.51
Deferred Tax Impact on above adjustments	v	(86.47)
Net Profit as per Ind AS		**12187.40**
Other Comprehensive Income (OCI) after Tax	vi	(82.51)
Total Comprehensive Income as per Ind AS		**12104.89**

iii. **Reconciliation of Cash flow**

There is no significant reconciliation items between cash flow prepared under Previous GAAP and those prepared under Ind AS.

d. **Notes to first time adoption**

i. **Investments**

For investment in Mutual Fund, Equity instruments and Market linked debentures, company has elected to fair value through Profit and Loss (FVTPL). However, in the previous GAAP the same is carried at cost.

For investment in bonds and debentures, where objective is to hold assets for collecting contractual cash flows that are solely payments of principal and interest on the principal amount outstanding, needs to be measured at amortized cost using the effective interest rate method. The company has applied effective interest rate method to those investments retrospectively. However, in the previous GAAP the same is carried at cost.

ii. **Security Deposit**

Under previous GAAP the company has carried security deposits given at cost, while as per Ind AS, security deposits which qualify as financial assets, need to be measured at amortized cost using the effective interest rate method less any impairment losses. The company has applied effective interest rate method to those deposits retrospectively.

iii. **Trade Receivables**

On account of adoption of Ind AS 109, the company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables.

The provision matrix takes into account as per the Company's historical experience for customers.

iv. Excise Duty

Under the previous GAAP, revenue from sale of products was presented exclusive of excise duty. Under Ind AS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented on the face of the statement of profit and loss as part of expenses.

v. Deferred Tax

Previous GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base.

vi. Remeasurements of post-employment benefit obligations

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognized in other comprehensive income instead of statement of profit & loss. Under the previous GAAP, these remeasurements were forming part of the statement of profit & loss for the year.

vii. Lease Equalization

As per Ind AS 17, payments under operating lease are recorded in the Statement of Profit and Loss on a straight line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

The Company has taken office/Godown spaces on operating lease basis. Future lease rents and escalation in rent which is generally on account inflation only, have been determined on the basis of agreed terms.

As increase in the rentals are on account of inflation only, company has decided to reverse the lease equalization reserve made as per the provisions of previous IGAAP.

46. EVENTS AFTER REPORTING DATE

Refer to note 16(b) for the final dividend recommended by the directors which is subject to the approval of shareholders in the ensuing annual general meeting.

47. ADDITIONAL INFORMATION RELATED TO THE SUBSIDIARY CONSIDERED IN THE PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

Name of Entity	Net Assets, i.e. total assets minus total liabilities		Share in profit and Loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (Rs. in Lacs)	As % of consolidated profit & loss	Amount (Rs. in Lacs)	As % of consolidated profit & loss	Amount (Rs. in Lacs)	As % of consolidated profit & loss	Amount (Rs. in Lacs)
Parent								
Dhanuka Agritech Ltd.	100%	63,335.89	100%	12617.77	100%	82.77	100%	12700.54
Wholly owned subsidiary								
Dhanuka agri solution pvt. Ltd.	-	-	-	-	-	-	-	-
Total	**100%**	**63,335.89**	**100%**	**12617.77**	**100%**	**82.77**	**100%**	**12700.54**

48. Trade receivables, trade payables and advances are subject to confirmation and / or reconciliation except those for which confirmation / reconciliation already received.

As per our report of even date attached

For **AMBANI & ASSOCIATES LLP**
Chartered Accountants
Firm Registration No: 016923N

For and on behalf of the Board of Directors

Sd/-	**Sd/-**	**Sd/-**	**Sd/-**	**Sd/-**
HITESH AMBANI	**M.K. DHANUKA**	**RAHUL DHANUKA**	**V.K. BANSAL**	**JYOTI VERMA**
Designated Partner	Managing Director	Executive Director	C.F.O.	Company Secretary
Membership No : 506267	DIN : 00628039	DIN : 00150140		
Place : Gurugram				
Dated : 22nd May, 2018				

NOTICE TO THE MEMBERS

Notice is hereby given that the **33rd Annual General Meeting (AGM)** of the Members of **Dhanuka Agritech Limited** will be held at Mapple Emerald Hotel, Rajokri, National Highway-8, New Delhi-110 038 on Friday the 10th day of August, 2018 at 10:30 A.M. to transact the following Businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Standalone and Consolidated Audited Financial Statements for the Financial Year ended 31st March, 2018 together with the Reports of the Auditors' and Directors' thereon.

2. To confirm the payment of Interim Dividend on Equity Shares declared by the Board of Directors of the Company.

3. To declare Final Dividend for the Financial Year ended 31st March, 2018.

4. To appoint a Director in place of Mr. Mahendra Kumar Dhanuka (DIN: 00628039), who retires by rotation and being eligible, offers himself for re-appointment.

5. To appoint a Director in place of Mr. Ashish Saraf (DIN: 07767324), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

6. To consider appointment of Statutory Auditors to fill the casual vacancy and in this regard, if thought fit, to pass following resolution with or without modification(s) as an **Ordinary Resolution**:

   "RESOLVED THAT M/s. S.S. Kothari Mehta & Co., Chartered Accountants, (Firm Registration No. 000756N) be and are hereby appointed as Statutory Auditors of the Company to hold the office from 23rd May, 2018 until the conclusion of 33rd Annual General Meeting of the Company, to fill the casual vacancy caused by resignation of M/s. Ambani & Association LLP, Chartered Accountants, at such remuneration as may be fixed by Board of Directors on recommendation of the Audit Committee."

7. To consider appointment of Statutory Auditors for 5 (Five) years and in this regard, if thought fit, to pass following resolution with or without modification(s) as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, (including any statutory modification(s), clarifications, exemptions or re-enactments thereof for the time being in force) and on recommendation of the Audit Committee, M/s. S.S. Kothari Mehta & Co., Chartered Accountants, (Firm Registration No. 000756N) be and are hereby appointed as Statutory Auditors of the Company to hold office for a period of 5 (Five) years, from the conclusion of the 33rd Annual General Meeting till the conclusion of the 38th Annual General Meeting of the Company to be held in the year 2023 at such remuneration as may be fixed by the Board of Directors on recommendation of the Audit Committee."

   "RESOLVED FURTHER THAT any of the Director or Company Secretary of the Company, be and are hereby authorized to do such act, deeds and things and to file necessary e-forms with the concerned Registrar of Companies, to give effect to the aforementioned resolution."

8. To consider and ratify remuneration of Cost Auditors and in this regard if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the provisions of Sections 141, 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies the remuneration of Rs. 2,20,000/- plus applicable taxes payable to M/s. S. Chander & Associates, Cost Accountants (Firm Registration No. 100105), who have been appointed as Cost Auditors of the Company by the Board of Directors to conduct Cost Audit of the Company for the Financial Year ending 31st March, 2019."

   "RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be deemed necessary or expedient to give effect to this Resolution."

9. To consider appointment of Mr. Sanjay Saxena as an Independent Director and in this regard, if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, Mr. Sanjay Saxena (DIN: 01257965), who has submitted a declaration stating that he meets the criteria for independence as provided in Section 149(6) of the

Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and who was appointed as Additional Director by the Board of Directors, being eligible for appointment, be and is hereby appointed as a non-retiring Independent Director of the Company for a period of 5 (Five) consecutive years with effect from 22nd May, 2018."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Director(s) to give effect to the aforesaid resolution."

10. To re-appoint Mr. Arun Kumar Dhanuka as Whole time Director and in this regard, if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule-V of the Companies Act, 2013 and pursuant to the recommendation of the Nomination and Remuneration Committee and consent of the Board of Directors, approval of the Members of the Company be and is hereby accorded for re-appointment of Mr. Arun Kumar Dhanuka (DIN: 00627425) as Whole time Director of the Company, for a period of 5 (Five) years from 1st August, 2018 to 31st July, 2023 (both days inclusive) as well as the payment of salary, commission and perquisites (hereinafter referred to as "remuneration"), upon the terms and conditions as detailed in the Explanatory Statement attached hereto, which is hereby approved and sanctioned with authority to the Board of Directors to alter and vary the terms and conditions of the said re-appointment and / or agreement in such manner as may be agreed to between the Board of Directors and Mr. Arun Kumar Dhanuka."

"RESOLVED FURTHER THAT the remuneration payable to Mr. Arun Kumar Dhanuka, Whole time Director shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Director(s) to give effect to the aforesaid resolution."

11. To re-appoint Mr. Priya Brat, as an Independent Director for Second Term and, if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 and other applicable provisions, if any, of the Companies Act, 2013 framed thereunder, read with Schedule IV of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, Mr. Priya Brat (DIN: 00041859), who was appointed as an Independent Director and who holds office of Independent Director up to 19th May, 2019 and who meets the criteria for Independence, being eligible for re-appointment be and is hereby re-appointed as a non-retiring Independent Director on the Board of the Company for Second Term of 5 (Five) consecutive years w.e.f. 20th May, 2019."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all other acts, deeds and things as may be necessary in this regard."

12. To re-appoint Mr. Vinod Kumar Jain as an Independent Director for Second Term and, if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 and other applicable provisions, if any, of the Companies Act, 2013 framed thereunder, read with Schedule IV of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, Mr. Vinod Kumar Jain (DIN: 01185937), who was appointed as an Independent Director and who holds office of Independent Director up to 19th May, 2019 and who meets the criteria for Independence, being eligible for re-appointment be and is hereby re-appointed as a non-retiring Independent Director on the Board of the Company for Second Term of 5 (Five) consecutive years w.e.f. 20th May, 2019."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all other acts, deeds and things as may be necessary in this regard."

13. To re-appoint Mr. Indresh Narain as an Independent Director for Second Term and, if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 and other applicable provisions, if any, of the Companies Act, 2013 framed thereunder, read with Schedule IV of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, Mr. Indresh Narain (DIN: 00501297), who was appointed as an Independent Director and who holds office of Independent Director up to 19th May, 2019 and who meets the criteria for Independence, being eligible for re-appointment be and is hereby re-appointed as a non-retiring Independent Director on the Board of the Company for Second Term of 5 (Five) consecutive years w.e.f. 20th May, 2019."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all other acts, deeds and things as may be necessary in this regard."

14. To re-appoint Mrs. Asha Mundra as an Independent Director for Second Term and, if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 and other applicable provisions, if any, of the Companies Act, 2013 framed thereunder, read with Schedule IV of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, Mrs. Asha Mundra (DIN: 00394215), who was appointed as an Independent Director and who holds office of Independent Director up to 19th May, 2019 and who meets the criteria for Independence, being eligible for re-appointment be and is hereby re-appointed as a non-retiring Independent Director on the Board of the Company for Second Term of 5 (Five) consecutive years w.e.f. 20th May, 2019."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all other acts, deeds and things as may be necessary in this regard."

15. To re-appoint Mr. Om Prakash Khetan as an Independent Director for Second Term and, if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 and other applicable provisions, if any, of the Companies Act, 2013 framed thereunder, read with Schedule IV of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, Mr. Om Prakash Khetan (DIN: 06883433), who was appointed as an Independent Director and who holds office of Independent Director up to 19th May, 2019 and who meets the criteria for independence, being eligible for re-appointment be and is hereby re-appointed as a non-retiring Independent Director on the Board of the Company for Second Term of 5 (Five) consecutive years w.e.f. 20th May, 2019."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all other acts, deeds and things as may be necessary in this regard."

16. To consider and approve Related Party Transactions with M/s. Dhanuka Marketing Company and in this regard, if thought fit, to pass the following resolution with or without modification(s) as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder (including any statutory modifications or re-enactments thereof for the time being in force) and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and subject to such other approvals, as may be necessary, consent of the Members be and is hereby accorded to the Related Party Transactions that have been entered into or are proposed to be undertaken between the Company and M/s Dhanuka Marketing Company ("DMC") for availing their services as Clearing & Forwarding Agents of the Company's products and caretaker of the Company's operations in the state of Andhra Pradesh and Telangana for a period of 5 (Five) Financial Years from Financial Year 2019-20 to Financial Year 2023-24, being in ordinary course of business, on terms and conditions as may be agreed upon between the Board of Directors of the Company and DMC, for and on behalf of the Company."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds and things, including any amendments / modifications in terms from time to time, as may be necessary in this regard."

17. To consider and approve granting of Loan u/s 185 to M/s

Dhanuka Laboratories Limited (DLL) and in this regard if thought fit, to pass the following resolution with or without modification(s) as **Special Resolution**:

"RESOLVED THAT pursuant to the provision of Section 185 and other applicable provisions if any, of the Companies Act, 2013 and rules made thereunder (as may be amended from time to time ('the Act'), and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 consent of the Members of the Company, be and is hereby accorded to grant loan to M/s. Dhanuka Laboratories Limited (DLL), a Company in which one or more Directors are interested and which is a related party, up to an amount of Rs. 25 Crores (Rupees Twenty Five Crores Only) from time to time in one or more tranches for its Principal Business Activities on such terms and conditions as the Board of Directors in discussion with DLL may finalize."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all acts, deeds and things in their absolute discretion that may be considered necessary, proper and expedient or incidental for the purpose of giving effect to this resolution in the interest of the Company."

Registered Office:
82, Abhinash Mansion, 1st Floor, Joshi Road,
Karol Bagh, New Delhi – 110 005 (India)
Telephone No.: (011) 64656800/1/2
Website: www.dhanuka.com
Email ID: investors@dhanuka.com

CIN : L24219DL1985PLC020126

Place : Gurugram
Date : 22nd May, 2018

By Order of the Board of Directors
For Dhanuka Agritech Limited

Sd/-
Jyoti Verma
Company Secretary and Compliance Officer
FCS-7210

NOTES:

1. A Member entitled to attend and vote at the Meeting is also entitled to appoint a Proxy to attend and vote on a Poll instead of himself / herself and such Proxy need not be a Member of the Company. Proxy form duly stamped and executed, in order to be effective, must be received by the Company at its Registered Office at least 48 hours before the time when the Meeting is scheduled to begin.

2. Pursuant to Section 105(1) of the Companies Act, 2013, read with Rule 19 of the Companies (Management and Administration) Rules, 2014, a person can act as Proxy on behalf of not more than Fifty Members and holding in aggregate not more than ten percent of the total Share Capital of the Company carrying voting rights. A person acting as Proxy for a Member holding more than ten percent of the total Share Capital of the Company carrying voting rights, will not act as Proxy for any other Member. Proxy holder shall be presenting their identity at the time of attendance at the AGM.

3. The Register of Members and the Share Transfer Books will remain closed from **Wednesday**, **1st August, 2018 to Friday, 10th August, 2018** (both days inclusive).

4. Dividend for Financial Year 2017-18.

4.1 Interim Dividend

Interim Dividend @100% i.e. Rs. 2.00/- per Equity Share for each Equity Share having Face Value of Rs. 2.00/- each was paid during the FY 2017-18 to the Members whose names appeared in the Register of Members of the Company as on the Record Date i.e. 26th February, 2018. In respect of Equity Shares held in electronic form, the Interim Dividend was paid on the basis of beneficial ownership as on the Record Date i.e. 26th February, 2018 as per details furnished by the National Securities Depository Ltd. (NSDL) and Central Depositories Services (India) Ltd. (CDSL) for this purpose.

4.2 Final Dividend

Payment of Final Dividend @175% i.e. Rs. 3.50/- per Equity Share for each Equity Share having Face Value of Rs. 2.00/- each for the Financial Year ended 31st March, 2018, as recommended by the Board, if approved at this Annual General Meeting, will be made to those Members whose names appear in the Register of Members of the Company as on Tuesday, 31st July, 2018, being the date prior to the Book Closure date. In respect of Equity Shares held in electronic form, the Final Dividend will be paid on the basis of beneficial ownership as on Tuesday, 31st July, 2018, as per details furnished by the National Securities Depository Ltd. (NSDL) and Central Depositories Services (India) Ltd. (CDSL) for this purpose.

4.3 Mandatory updation of Bank Details

SEBI has mandated that for making dividend payments, companies whose securities are listed shall use electronic clearing services. Companies/RTAs are required to seek relevant bank details of shareholders from depositories/ investors for making payment of dividends in electronic mode. It is also mandatory to print the bank details on the physical instrument if the payment is made in physical mode. Accordingly, shareholders are requested to provide/update their bank details with the respective depository participants for the shares held in dematerialized form and with RTA in respect of shares held in physical form.

5. Pursuant to the provisions of Section 72 of the Companies Act, 2013, the members holding shares in physical form may nominate, in the prescribed manner, a person to whom all the rights in the shares shall vest in the event of death of the sole holder or all the joint holders. Members holding shares in demat form may contact their respective Depository Participants for availing this facility.

6. Shareholders/ Proxies are requested to produce at the entrance the attached Admission Slip, duly completed and signed in accordance with the Specimen Signatures registered with the Company, for admission to the Annual General Meeting hall.

7. Documents referred to in this Notice will be available for inspection by the Members at the Registered Office of the Company from 11:00 A.M. to 1:00 P.M. on all working days prior to the date of the Annual General Meeting and will also be available for inspection at the venue of the Annual General Meeting.

8. Corporate Members intending to send their Authorized Representatives are requested to send a duly Certified Copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting together with Specimen Signature of Authorized Representative.

9. Members desirous of getting any information about the Accounts under reference and operations of the Company should address their query to the Company Secretary so that the same may reach her at least 7 (Seven) days before the date of the Meeting to enable the Management to keep the information ready.

10. In view of the provisions of Section 125 of the Companies Act, 2013, unclaimed/ unpaid Dividend for the Financial Year 2010-11 shall be transferred to Investor Education and Protection Fund (IEPF) in the month of September, 2018. Members, who have not yet encashed their Dividend for the Financial Year ended 31st March, 2011 or any subsequent Financial Year(s), are requested to lodge their claims with the Company.

11. Pursuant to the Sections 20, 101 and 136 of the Companies Act, 2013 and Rules made thereunder, Companies are allowed to send notices / documents in electronic form to their Members. To enable the Company to send its Annual Report, Notice of AGM and other documents for the Financial Year ended 31st March, 2018 electronically. Members are requested to update their Email IDs with their Depository Participants in case the Shares are held in the electronic form or the Registrar & Share Transfer Agent of the Company, in case the Shares are held in the physical form and accord their consent for receiving documents through electronic mode.

12. The Company is pleased to provide the Remote e-voting facility to Members to enable them to exercise their right to vote through electronic means, in pursuance of Section 108 of the Companies Act, 2013 and the Rules made thereunder. The facility of voting through ballot paper shall be available at the AGM venue and Members attending the Meeting who have not casted their votes via Remote e-voting shall be able to exercise their voting right at AGM. The Members who have already casted their vote through Remote e-voting may attend the AGM but can not cast their vote again by ballot.

13. The Company has appointed M/s. R & D, Company Secretaries, to act as the Scrutinizer, for conducting the scrutiny of the votes. The Company has entered into an arrangement with Central Depository Services (India) Limited (CDSL) for facilitating Remote e-voting for Annual General Meeting. The Members desiring to vote through electronic mode may refer to the detailed procedure on Remote e-voting given hereinafter.

14. Remote e-voting Instructions:

(i) Remote e-voting period will commence on Tuesday, 7th August, 2018 (IST 9:00 a.m) and will end on Thursday, 9th August, 2018 (IST 5:00 p.m). During this period Shareholders' of the Company, holding Shares either in physical form or in dematerialized form, as on cut-off date for Remote e-voting i.e. Friday, 3rd August, 2018 are entitled to vote on the resolutions set forth in this Notice. The Remote e-voting module shall be disabled by CDSL for voting thereafter.

(ii) The Shareholders should log on to the e-voting website www.evotingindia.com.

(iii) Click on Shareholders / Members.

(iv) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

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

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

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

(vi) 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.

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

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

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

(ix) 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 also to be 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.

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

(xi) Click on the EVSN of Dhanuka Agritech Limited on which you choose to vote.

(xii) 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.

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

(xiv) 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.

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

(xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the voting page.

(xvii) If a demat account holder has forgotten the changed 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.

(xviii) 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 users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) **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 www.evotingindia.com and register themselves as Corporate.
- 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.

(xx) In case you have any queries or issues regarding Remote e-voting, you may refer the Frequently Asked Questions ("FAQs") and Remote e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact official designated to address the grievances in this regard: Mr. Rakesh Dalvi, Manager at Phone no. 1800225533.

(xxi) Any person, who acquires Shares of the Company and become Member of the Company after dispatch of the Notice and holding Shares as on the cut-off date for Remote e-voting i.e. Friday, 3rd August, 2018, may follow the same instructions as mentioned above for Remote e-voting.

15. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding Shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding Shares in physical form can submit their PAN details to the Company's Registrar & Share Transfer Agent, M/s. Abhipra Capital Limited, quoting their Folio number.

16. Explanatory Statement pursuant to the Section 102 of the Companies Act, 2013 in respect of Item No. 6 to 17 of the Notice (in respect of Special Business to be transacted at the Meeting) is annexed hereto.

17. The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, will first count the votes cast at the Meeting and thereafter unblock the votes cast through Remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the Annual General Meeting, a Consolidated Scrutinizers' Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

18. The results of voting will be declared and the same along with the Scrutinizers' Report will be available on the website of the Company (www.dhanuka.com) and the website of CDSL (www.cdslindia.co.in) immediately after the declaration of result by the Chairman and the same will also be communicated to BSE Limited and the National Stock Exchange of India Limited within 48 hours from the conclusion of the Annual General Meeting.

Explanatory Statements

(Pursuant to the Section 102 of the Companies Act, 2013 and other applicable provisions)

The following Explanatory Statement sets out all the material facts, relevant to the items of the Special Business contained in the Notice.

Item No. 6 & 7

Appointment and Remuneration of Statutory Auditors

The Members of the Company at its 32nd Annual General Meeting (AGM) held on Thursday, 10th August, 2017 had appointed M/s. Ambani & Associates LLP, Chartered Accountants, (Firm Registration No: 016923N) as Statutory Auditors of the Company to hold office from the conclusion of 32nd AGM till the conclusion of 37th AGM of the Company subject to ratification of the appointment by the Members at every AGM held after the 32nd AGM of the Company.

M/s. Ambani & Associates LLP, Chartered Accountants, (Firm Registration No: 016923N) vide their letter dated 22nd May, 2018 have resigned from the position of Statutory Auditors of the Company, effective from 23rd May, 2018, resulting into a casual vacancy in the office of Statutory Auditors of the Company as envisaged by Section 139(8) of the Companies Act, 2013. They have conducted Statutory Audit for Financial Year 2017-18 and have submitted their Report in the Meeting of the Board of Directors held on 22nd May, 2018 where the Financial Statements were approved by the Board.

The Board of Directors at its Meeting held on 22nd May, 2018, at the recommendation of the Audit Committee, and pursuant to the provision of Section 139(8) of the Companies Act, 2013, has appointed M/s. S.S. Kothari Mehta & Co., Chartered Accountants, (Firm Registration No. 000756N), to hold office as Statutory Auditors of the Company to fill casual vacancy caused by resignation of M/s. Ambani & Associates LLP, Chartered Accountants. M/s. S.S. Kothari Mehta & Co., Chartered Accountants, (Firm Registration No. 000756N) shall hold office upto the conclusion of 33rd AGM.

Since, M/s. S.S. Kothari Mehta & Co., Chartered Accountants shall hold office only upto the conclusion of 33rd AGM, the Board of Directors at its Meeting held on 22nd May, 2018, on the recommendation of the Audit Committee and pursuant to Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions if any, appointed and recommended the appointment of M/s. S.S. Kothari Mehta & Co., Chartered Accountants, (Firm Registration No. 000756N), as Statutory Auditors of the Company to hold office for a period of 5 (Five) years, from the conclusion of the 33rd AGM, till the conclusion of the 38th AGM of the Company and has approved their remuneration.

The Company has received consent letter and Eligibility Certificate from M/s. S.S. Kothari Mehta & Co., Chartered Accountants, (Firm Registration No. 000756N), to act as Statutory Auditors of the Company in place of M/s. Ambani & Associates LLP, Chartered Accountants, (Firm Registration No: 016923N), along with a confirmation stating that, their appointment, if made, would be within the limits prescribed under the Companies Act, 2013.

Accordingly, consent of the Members is sought by way of Ordinary Resolution as set out in Item No. 6 and 7 of the Notice for appointment and payment of remuneration to the Statutory Auditors.

None of the Directors, Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in the aforesaid Ordinary Resolution.

The Board recommends Resolution set out in item No. 6 and 7 of the Notice for approval of the Members by way of Ordinary Resolution.

Item No. 8

Ratification of Remuneration of Cost Auditor

In accordance with the provisions of Section 148 of the Companies Act, 2013 and Rules framed thereunder, the Board of Directors, at the recommendation of the Audit Committee, in their Meeting held on 22nd May, 2018 had considered and approved appointment of Cost Auditors, M/s. S. Chander & Associates, Cost Accountants as Cost Auditors of the Company for the Financial Year 2018-19 to carry out Audit of Cost Accounts of the Company relating to Agro-Chemical Manufacturing Activities, at a remuneration of Rs. 2,20,000/- subject to confirmation of Members at the ensuing Annual General Meeting.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item no. 8 of the Notice to the remuneration payable to the Cost Auditors for the Financial Year 2018-19.

None of the Directors and Key Managerial Personnel of the Company or their relatives are in any way concerned or interested in this resolution.

The Board recommends resolution set out in item No. 8 of the Notice for approval of the Members by way of Ordinary Resolution.

Item No. 9

Appointment of Mr. Sanjay Saxena as an Independent Director

On the recommendation of the Nomination and Remuneration Committee, the Board Members have appointed Mr. Sanjay Saxena as non-retiring Additional Director (Independent Category) in its Meeting held on 22nd May, 2018. He shall hold

the office upto the date of 33rd Annual General Meeting and is eligible for being appointed as an Independent Director.

Mr. Sanjay Saxena, is Bachelor in Commerce and holds Associate Membership of Institute of Cost and Management Accountant (ICMA) of India. He has also done Post Graduate Diploma in Urban Management and Planning and in Advance Software Applications.

He is having over 25 years of rich experience (International) of working as Development Sector Consultant. His work has spanned four thematic areas– Governance, e-Governance, Public Financial Management (PFM) and Monitoring & Evaluation (M&E). He has applied this subject matter expertise across a range of diverse sectors such as Urban Development, Tourism Development, Rural Development, Infrastructure Development, Water and Sanitation, Skills Development, Education, Health, etc. He has worked on over a hundred development sector projects in over 23 Countries.

The Board of Directors is of opinion that Mr. Sanjay Saxena meets the criteria of Independence and fulfills the conditions for appointment as Independent Director in terms of the Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 149 of the Companies Act, 2013. He has also submitted his willingness to act as Director of the Company. Considering his rich experience, Members are requested to consider his candidature for Independent Director.

Mr. Saxena shall hold office for a period of 5 (Five) years with effect from 22nd May, 2018.

The Company has received following documents from Mr. Sanjay Saxena proposed to be appointed as Independent Director:

I) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

ii) Intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules 2014, to the effect that he is not disqualified under Section 164(2) of the Companies Act, 2013.

iii) A declaration to the effect that he meets the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

A copy of appointment letter of Mr. Sanjay Saxena as Independent Director, setting out his terms and conditions would be open for inspection by any Member without any fee, at the Registered Office of the Company during normal business hours on any working day and shall also be available for inspection throughout the continuance of 33rd Annual General Meeting.

None of the Directors and Key Managerial Personnel of the Company or their relatives are in any way concerned or interested with this resolution.

The Board hereby recommends the resolution as set out at Item No. 9 for consideration and approval of the members of the Company by way of Ordinary Resolution.

Item No. 10

To re-appoint Mr. Arun Kumar Dhanuka as Whole time Director

The Shareholders in their 28th Annual General Meeting held on 12th day of August, 2013 re-appointed Mr. Arun Kumar Dhanuka as Whole time Director of the Company for a period of 5 (Five) years from 1st August, 2013 to 31st July, 2018 (both days inclusive).

As per the provisions of Sections 196, 197, 198 read with Schedule-V of the Companies Act, 2013, Mr. Arun Kumar Dhanuka is eligible to be re-appointed as the Whole time Director of the Company. Since his term as Whole time Director shall expire on 31st July, 2018. The Members may consider re-appointing him as the Whole time Director of the Company for a further period of 5 (Five) years from 1st August, 2018 to 31st July, 2023 (both days inclusive).

The Board of Directors, based on the recommendations of the Nomination and Remuneration Committee in their Meeting held on 14th February, 2018, subject to Shareholders' approval has re-appointed Mr. Arun Kumar Dhanuka as Whole time Director of the Company for a period of 5 (Five) years from 1st August, 2018 to 31st July, 2023 (both days inclusive) as per the terms and conditions set out in the Agreement as placed before the Shareholders for their approval.

The Company has received following documents from Mr. Arun Kumar Dhanuka proposed to be appointed as Whole time Director of the Company:

i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014.

ii) Intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules 2014, to the effect that he is not disqualified under Section 164(2) of the Companies Act, 2013.

The material terms and conditions proposed in the said Agreement are mentioned herein below for consideration of Members:

A. Salary : Rs. 7,75,000 (Rupees Seven Lacs Seventy Five Thousands only) p.m. in the salary range of Rs. 7,75,000 – 75,000 – 10,75,000 p.m. with the authority granted to the Board of Directors, on the recommendations of the Nomination and

Remuneration Committee, to revise the salary every year by Rs. 75,000 p.m., subject to the ceiling of Rs. 10,75,000 p.m.

B. Commission : @1.50 % of the Net profits of the Company computed under Section 198 of the Companies Act, 2013

C. Perquisites :

Category 'A':

i) Reimbursement of medical expenses for self and family, actually incurred, subject to the limit that the total cost to the Company will not exceed one month's salary in a year or three months' salary in a block of three years excluding perquisites;

ii) Leave travel concession for self and family not exceeding 15 days salary, once in a year. The perquisite will be taxed in accordance with the provisions of the Income-Tax Rules;

iii) Membership fee of not more than two clubs provided no life Membership fee or admission fee will be paid by the Company;

iv) Personal accident insurance, subject to the condition that annual premium will not exceed Rs. 7,50,000 per annum;

Category 'B':

I) Company's contribution towards Provident Fund, subject to the ceiling of 12% of the salary;

ii) Gratuity payable to an approved Gratuity Fund, which will not exceed one half month's salary for each completed year of service or part thereof in excess of six months, subject to a ceiling of Rs.10,00,000 or as laid down in the Income Tax Rules, 1962, whichever is lower.

Category 'C':

i) Provision of fully-furnished rent-free accommodation for self and family;

ii) Provision of one car for official and personal use; and

iii) Provision of mobile phones, telephones at residence, etc. for official and personal use; subject to maximum limit of Rs. 10,000 p.m. in aggregate.

Minimum Remuneration:

Notwithstanding anything to the contrary contained herein, where in any Financial Year, during the currency of tenure of Mr. Arun Kumar Dhanuka, Whole time Director of the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites, as may be approved by the Board, on the recommendation of the Nomination and Remuneration Committee of the Board of Directors, but subject to the limits prescribed in Schedule V to the Companies Act, 2013.

The copy of the Agreement referred to in the Resolution is available for inspection of the Members at the Registered Office of the Company on any working day during business hours and will also be available for inspection throughout the continuance of the 33rd Annual General Meeting.

This shall also be treated as an abstract of the terms of the Contract / Agreement as to the nature of concern or interest of the Directors pursuant to Section 190 of the Companies Act, 2013.

The aforesaid terms & conditions governing remuneration of Mr. Arun Kumar Dhanuka fall within the parameters as prescribed in Schedule-V to the Companies Act, 2013 as amended upto date hence only Shareholders' approval is required and no approval of the Central Government is necessary in this case.

None of the Directors and Key Managerial Personnel of the Company or their relatives are in any way concerned or interested with this resolution.

The Board hereby recommends the resolution as set out at Item No. 10 for consideration and approval of Members of the Company by way of Special Resolution.

Item No. 11 to 15

Re-appointment of Independent Directors for a Second Term of 5 (Five) consecutive years on the Board of the Company

Section 149(10) of the Companies Act, 2013 provides that an Independent Director shall hold office for a term of up to 5 (Five) consecutive years on the Board and shall be eligible for re-appointment for Second Term of 5 (Five) consecutive years on passing a Special Resolution by the Company and disclosure of such appointment in its Boards' Report. Section 149(11) provides that an Independent Director may hold office for up to 2 (Two) consecutive terms.

Pursuant to the provisions of Section 149 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the erstwhile Clause 49 of the Listing Agreements with the stock exchanges, Mr. Priya Brat (DIN: 00041859), Mr. Vinod Kumar Jain (DIN: 01185937), Mr. Indresh Narain (DIN: 00501297), Mrs. Asha Mundra (DIN: 00394215) and Mr. Om Prakash Khetan (DIN: 06883433) were appointed as an Independent Directors on the Board of the Company for a period of 5 (Five) consecutive years w.e.f 20th May, 2014. They shall hold office as an Independent Directors of the Company up to 19th May, 2019 ("First Term" in line with the explanation to Sections 149(10) and 149(11) of the Act).

The Nomination and Remuneration Committee of the Board of Directors, on the basis of the report of performance evaluation of Independent Directors, has recommended re-appointment of Mr. Priya Brat, Mr. Vinod Kumar Jain, Mr. Indresh Narain, Mrs. Asha Mundra and Mr. Om Prakash

Khetan as an Independent Directors for Second Term of 5 (Five) consecutive years on the Board of the Company. This appointment shall be effective from 20th May, 2019 up to 19th May, 2024. On the recommendation of the Nomination and Remuneration Committee, based upon the performance evaluation of Independent Directors and the Board considers that, given their backgrounds, rich experiences of diversified sectors and contributions made by them during their tenure, the continued association of Mr. Priya Brat, Mr. Vinod Kumar Jain, Mr. Indresh Narain, Mrs. Asha Mundra and Mr. Om Prakash Khetan would be beneficial to the Company and it is desirable to continue to avail their services as Independent Directors. Accordingly, the Board has recommended re-appointment of Mr. Priya Brat, Mr. Vinod Kumar Jain, Mr. Indresh Narain, Mrs. Asha Mundra and Mr. Om Prakash Khetan as an Independent Directors of the Company, not liable to retire by rotation and for Second Term of 5 (Five) consecutive years on the Board of the Company effective from 20th May, 2019.

Section 149 of the Act and provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") inter alia prescribe that an Independent Director of a Company shall meet the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013.

Mr. Priya Brat, Mr. Vinod Kumar Jain, Mr. Indresh Narain, Mrs. Asha Mundra and Mr. Om Prakash Khetan are not disqualified from being appointed as Directors in terms of Section 164 of the Companies Act, 2013 and have given their consent to act as Directors and all of them have also given declarations that they meet with the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and under Listing Regulations (as amended from time to time).

In the opinion of the Board, all the above Five Directors meet the criteria of Independence and qualifies for appointment as an Independent Directors.

Further, in terms of Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2015, no listed entity shall appoint or continue a person as a Non-Executive Director with effect from 1st April, 2019, who has attained the age of 75 years unless a Special Resolution is passed in this regard. As term of Mr. Priya Brat, aged 82 years and Mr. Om Prakash Khetan aged 84 years is expiring on 19th May, 2019, their re-appointment is recommended to the Members. Both are very energetic, enthusiastic and actively engaged in providing their guidance from time to time, so as to run the operations of the Company in better and successful manner.

Details of Directors whose re-appointment as an Independent Directors for Second Term are provided in the "Annexure" to the Notice pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India (ICSI).

Copy of draft letters of re-appointment of Mr. Priya Brat, Mr. Vinod Kumar Jain, Mr. Indresh Narain, Mrs. Asha Mundra and Mr. Om Prakash Khetan setting out the terms and conditions of appointment shall be available for inspection by the Members at the Registered Office of the Company.

Mr. Priya Brat, Mr. Vinod Kumar Jain, Mr. Indresh Narain, Mrs. Asha Mundra and Mr. Om Prakash Khetan are interested in the resolutions set out respectively at Item Nos. 11, 12, 13, 14 and 15 of the Notice with regard to their respective re-appointments.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions. This statement may also be regarded as an appropriate disclosure under the Listing Regulations.

The Board recommends the Resolutions set out at Item Nos. 11, 12, 13, 14 and 15 of the Notice for approval by the Members by way of Special Resolutions.

Item No. 16

Related Party Transactions

As per the provisions of Section 188 of the Companies Act, 2013, Related Party Transactions which are not in the ordinary course of business or at arm's length shall require approval of Members by way of Ordinary Resolution.

M/s. Dhanuka Marketing Company ("DMC") is a related party within the definition of Section 2(76) of the Companies Act, 2013, as Mr. Ram Gopal Agarwal, Chairman and Mr. Mahendra Kumar Dhanuka, Managing Director are brothers of Mr. S.N. Agarwal, partner of DMC. DMC is working as C&F Agent in Andhra Pradesh since 1974. DMC has been providing Clearing & Forwarding Agent services to M/s. Northern Minerals Limited (presently "Dhanuka Agritech Limited") since 1980. DMC has strong network of dealers / distributors in the state of Andhra Pradesh and Telangana and in addition, provides various value added services to the Company in relation to marketing & promotional activities. It is proposed that DMC continue to act as C&F Agent and caretaker of the Company's operations in the States of Andhra Pradesh and Telangana for a period of 5 (Five) Financial Years from FY 2019-20 to FY 2023-24. Hence, the approval of the Members is being sought for this Related Party Transaction.

Historically, the Company's sales have been highest in the state of Andhra Pradesh and Telangana, specially for its important high margin products. DMC has been managing total Branch operations, including staff management in marketing and at Branch, maintaining cordial relations with dealers/ distributors and entire sales related operations in the state of Andhra Pradesh and Telangana for the Company since 1980.

The aforesaid matter has been approved by the Board of Directors of the Company, at the recommendation of the Audit Committee, in its Meeting held on 22nd May, 2018.

The following information may be considered by the Members for the purpose:

a) The name of the Related Party and nature of relationship- M/s. Dhanuka Marketing Company.

Mr. Ram Gopal Agarwal, Chairman and Mr. Mahendra Kumar Dhanuka, Managing Director are brothers of Mr. S.N. Agarwal, partner of DMC.

b) The nature, duration of the contract and particulars of the contract or arrangement.

It is proposed that DMC continue to act as C&F agent and care-taker of the Company's operations in the States of Andhra Pradesh and Telangana for a period of 5 (Five) Financial Years from FY 2019-20 to FY 2023-24.

c) The material terms of the contract or arrangement including the value, if any.

The Company will pay commission to DMC as a percentage of the net sales in the state of Andhra Pradesh and Telangana, as approved by the Audit Committee and the Board of Directors. The payments will be made through banking channel.

d) Any advance paid or received for the contract or arrangement, if any.

Nil.

e) The manner of determining the pricing and other commercial terms, both included as part of contract and not considered as part of the contract.

Commission is being decided on basis of services rendered.

f) Whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors.

Yes, all factors have been considered for the purpose.

g) Any other information relevant or important for the Board to take a decision on the proposed transaction.

Nil

By Order of the Board of Directors
For Dhanuka Agritech Limited

Sd/-
Jyoti Verma
Company Secretary and Compliance Officer
FCS-7210
Place: Gurugram
Date: 22nd May, 2018
CIN: L24219DL1985PLC020126

None of the other Directors, Key Managerial Personnel or their relatives except Mr. Ram Gopal Agarwal, Chairman and Mr. Mahendra Kumar Dhanuka, Managing Director, are concerned or interested in this resolution.

The Board hereby recommends the resolution as set out at Item No. 16 for consideration and approval of Members of the Company by way of Special Resolution.

Item No. 17

Loan to Dhanuka Laboratories Limited (DLL)

Pursuant to the provisions of Section 185 of the Companies Act, 2013 as amended by Companies Amendment Act, 2017, the Company may advance any Loan including any Loan represented by a Book debt to any person in whom any of the Director of the Company is interested subject to condition that Members approve the same by way of Special Resolution. Members are hereby informed that Dhanuka Laboratories Limited (DLL) is a Related Party as Mr. Mahendra Kumar Dhanuka, Managing Director, Mr. Arun Kumar Dhanuka, Mr. Rahul Dhanuka and Mr. Mridul Dhanuka, Executive Directors are common in both the Companies and together hold more than 25% shareholding of DLL either directly or indirectly.

DLL is in requirement of funds for running its business operations in a more efficient manner. For this purpose, the Board of Directors on the basis of the recommendation of the Audit Committee, has approved granting of Loan up to Rs. 25 Crores (Rupees Twenty Five Crores only) to DLL in one or more tranches, in its Meeting held on 22nd May, 2018. This approval is subject to approval of Members by way of Special Resolution.

This loan shall be utilized by M/s. Dhanuka Laboratories Limited for its principal business activities only and not for granting of further loan or investment purpose.

None of the Directors / KMP other than above is any way concerned or interested in this resolution.

The Board hereby recommends the resolution as set out at Item No. 17 for consideration and approval of Members of the Company by way of Special Resolution.

Annexure to Notice of 33rd Annual General Meeting dated 22nd May, 2018

Details of Directors Seeking Appointment / Re - Appointment at the 33rd Annual General Meeting of Dhanuka Agritech Limited

Particulars	Mr. Mahendra Kumar Dhanuka	Mr. Ashish Saraf	Mr. Sanjay Saxena	Mr. Arun Kumar Dhanuka
Age	63 years	48 years	52 years	61 years
Qualification	He holds Bachelor's Degree in Commerce from SRCC College, Delhi University.	He is a Commerce graduate from Shaheed Bhagat Singh College, Delhi University.	He holds Bachelor's degree in Commerce from Delhi University, 1986. He also holds a professional degree of Cost and Management Accountant from NIRC of Institute of Cost & Management Accountants of India (ICMA), 1989, done Post Graduation Diploma in Urban Management and Planning, with distinction, from Institute for Housing and Urban Development Studies (IHS), Erasmus University, Rotterdam, The Netherlands, 1998, further a diploma in Advance Software Application from Computers Point, New Delhi, in 1988.	He holds a Bachelor's Degree in Commerce from Delhi University in 1978.
Experience (Including expertise in specific functional area) / Brief Resume	He is a promoter shareholder and has been working as Managing Director of the Company since its incorporation. He has an eminent personality and has a vast and rich experience of 44 years in the Agrochemicals Industry. He is proficient in the Corporate Affairs and his keen insight and judgment bring excellence in the functioning of the Company, its Board and Committees. He has deep commitments towards the achievement of organizational goals and has also played a key role in instilling principles of Corporate Governance in the functioning of the Company. His foresight and business acumen have propelled the Company towards achieving it goals.	He has a distinguished corporate career of 25 years. He has served in M/s. Narayan International, New Delhi, (International Trade & Consultancy) as a Chief Executive Officer from 1988 to 2013 after that he joined M/s. Mauria Udyog Ltd. (Terry Towel) as a Chief Coordinating Officer from October, 2013 to January, 2017.	He has over 25 years' of experience of international working as development sector consultant. His work has spanned four thematic areas– Governance, e-Governance, Public Financial Management (PFM) and Monitoring & Evaluation (M&E). He has applied this subject matter expertise across a range of diverse sectors such as Urban Development, Tourism Development, Rural Development, Infrastructure Development, Water and Sanitation, Skills Development, Education, Health, etc. He has also worked on over a hundred development sector projects in over 23 Countries, and also worked over the last 12 years, on numerous donor funded projects, where his scope of work ranged from providing technical inputs for initial project design and program planning, to implementation support and monitoring, to post-implementation review.	He has a distinguished corporate career of 40 years. He was responsible for overall operations of Gurgaon Factory. After shifting of manufacturing operations of Gurgaon Factory w.e.f. 9th January, 2018, he is taking care of Sanand Factory Operations. With his innovative ideas, able leadership and utmost sincerity, he has raised the Company to new heights of success.

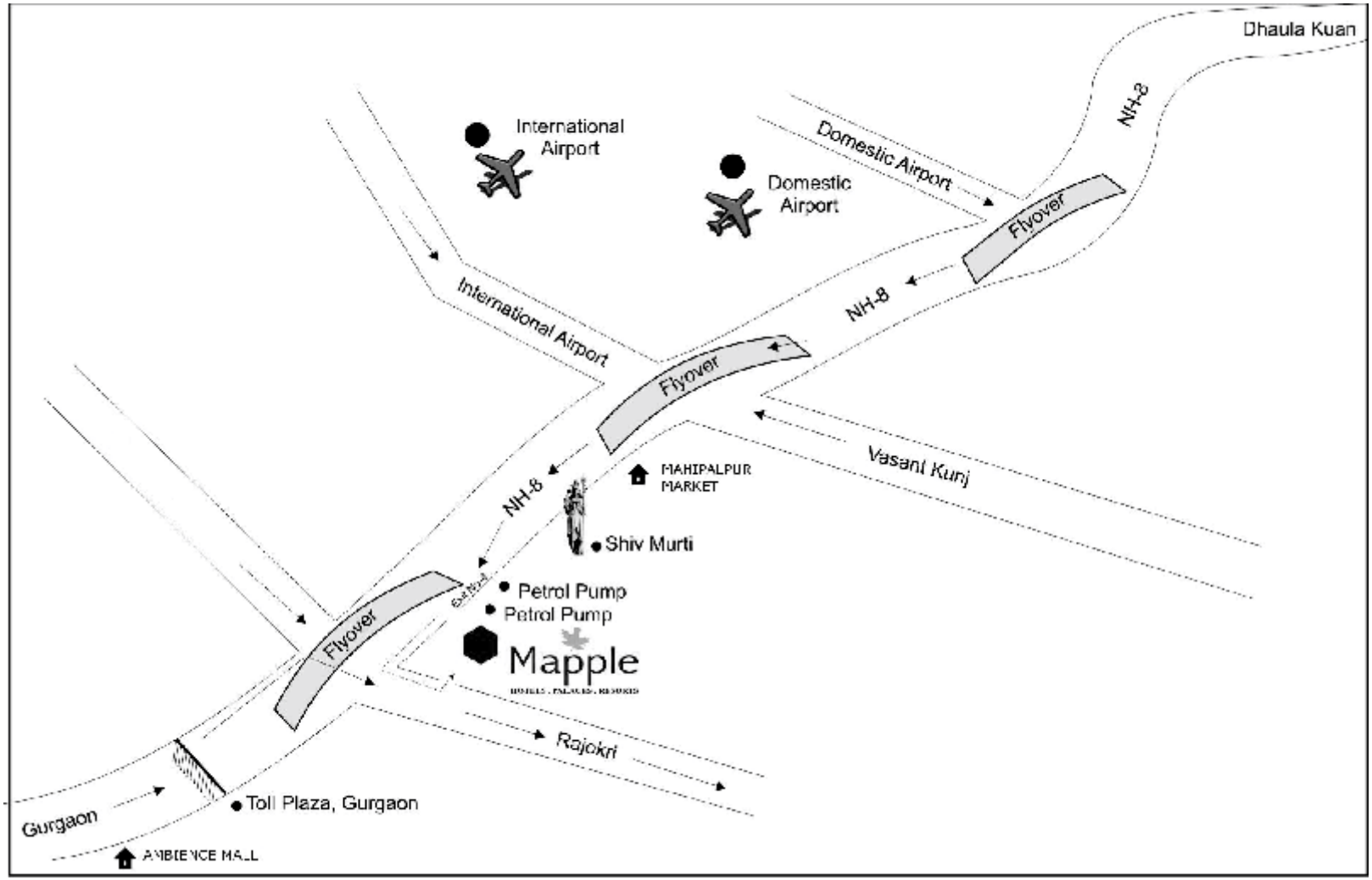
Particulars	Mr. Mahendra Kumar Dhanuka	Mr. Ashish Saraf	Mr. Sanjay Saxena	Mr. Arun Kumar Dhanuka
Terms and Conditions of appointment / Re-appointment	As per the resolution passed by the Shareholders in Annual General Meeting held on 17th September, 2014.	As per the resolution passed by the Shareholders in Annual General Meeting held on 10th August, 2017.	On the recommendation of the Nomination and Remuneration Committee the Board in its Meeting held on 22nd May, 2018 has appointed Mr. Sanjay Saxena as an Additional Director under the category of Independent Director for a term of 5 (Five) years effective from 22nd May, 2018, subject to the approval of the Shareholders at the ensuing Annual General Meeting going to be held on 10th August, 2018.	As mentioned above in Explanatory Statement.
Remuneration last drawn (including sitting fees, if any) FY 2017-18	461.41 Lacs	0.16 Lacs	Nil	359.43 Lacs
Remuneration proposed to be paid	As per existing terms and conditions.	As per existing terms and conditions.	Nil	As mentioned above in Explanatory Statement.
Date of First Appointment on the Board	13th February, 1985	24th March, 2017	22nd May, 2018	23rd May, 2017
Shareholding in the Company as on 31st March, 2018	29465	Nil	Nil	38964
Relationship with other Directors/ Key managerial Personnel	Bother of Mr. Ram Gopal Agarwal; Father of Mr. Mridul Dhanuka	None of the Directors is related to Mr. Ashish Saraf.	None of the Director is related to Mr. Sanjay Saxena.	Cousin of Mr. Mahendra Kumar Dhanuka and Mr. Ram Gopal Agarwal.
Number of Meeting of Board attended during the year	4	4	-	4
Directorship of other Boards as on 31st March, 2018	1. M/s. Dhanuka Laboratories Limited, 2. M/s. Golden Overseas Private Limited, 3. M/s. Dhanuka Infotech Private Limited 4. M/s. M.D. Buildtech Private Limited	Nil	M/s. Total Synergy Consulting Pvt. Ltd.	1. M/s Dhanuka Laboratories Limited
Membership / Chairmanship of the Committees of the Board as on 31st March, 2018	**M/s. Dhanuka Agritech Limited** Audit Committee - Member	Nil	Nil	Nil

Details of Independent Directors Seeking Re - Appointment for Seond Term

Particulars	Mr. Priya Brat	Mr. Vinod Kumar Jain	Mr. Indresh Narain	Mrs. Asha Mundra	Mr. Om Prakash Khetan
Age	83 years	69 years	74 years	55 years	84 years
Qualification	Degree of M. Sc (Hons) in Physics, Fellow Member of Indian Institute of Bankers, holds Diploma in International Finance from the Development Management Institute, Geneva and Diploma in Banking, Finance and Accountancy from the Indian Institute of Bankers, Mumbai.	Bachelor of Commerce from Delhi University.	Bachelor of Arts (Hons) from AIB London.	Graduated from Miranda House College, Delhi University and has done Export Marketing Course from Import Export Promotion Council, New Delhi.	Degree of M.Tech from IIT Kharagpur and MDP from IIT, Kolkata and completed his training in USA & UK
Experience (Including expertise in specific functional area)/ Brief Resume	He has distinguished career in State Bank of India and headed various important assignments related to Industrial Credit, Forex Management, Project Appraisal, Loan Syndication and Merchant Banking.	He has rich and multi-faceted experience of more than 45 years. With his innovative ideas and skills, he has taken his business of cotton yarn to new heights. He is also Secretary of Cotton Yarn Merchant Association. He has added value to the Company's systems by giving his valuable suggestions and recommendations to the Board in critical areas.	He has very rich experience in Banking and retired as Head of Compliance and Legal Department, HSBC Group. He has advised the Board on countless occasions on matters related to banking and legal compliances. He is Member of Indian Public Schools Society.	She has more than 24 years of rich experience as Administrative Head with M/s Merino Industries Limited, which manufactures interior and panel products. Presently, she is an Executive Director in M/s Anupriya Marketing Limited, which is involved in marketing of interior and panel products.	He has over 30 years of experience in Industrial Relations / Human Resource Management. He was head of HR / Personnel with Steel Authority of India (SAIL) and ICI India Ltd. (Indian subsidiary of British multinational). He was Former Chairman of National Institute of Personnel Management (Delhi Chapter). Presently he is Founder Executive Director of HRD Centre.
Terms and Conditions of appointment / Re-appointment	As per resolution No. 11.	As per resolution at No. 12.	As per resolution No. 13.	As per resolution No. 14.	As per resolution No. 15.
Remuneration last drawn (including sitting fees, if any) FY 2017-18	2.70 Lacs (Two Lacs Seventy Thousand only)	1.80 Lac (One Lac Eighty Thousand only)	3.10 Lacs (Three Lacs Ten Thousand only)	1.00 Lac (One Lac only)	1.50 Lac (One Lac Fifty Thousand only)

Particulars	Mr. Priya Brat	Mr. Vinod Kumar Jain	Mr. Indresh Narain	Mrs. Asha Mundra	Mr. Om Prakash Khetan
Remuneration proposed to be paid	No remuneration except sitting fees for attending Board and Committee Meetings.	No remuneration except sitting fees for attending Board and Committee Meetings.	No remuneration except sitting fees for attending Board and Committee Meetings.	No remuneration except sitting fees for attending Board and Committee Meetings.	No remuneration except sitting fees for attending Board and Committee Meetings.
Date of First Appointment on the Board	28th October, 2002	24th March, 2005	23rd May, 2017	06th February, 2014	20th May, 2014
Shareholding in the Company as on 31st March, 2018	Nil	Nil	800	Nil	Nil
Relationship with other Directors / Key managerial Personnel	None of the Directors is related to Mr. Priya Brat.	None of the Directors is related to Mr. Vinod Kumar Jain.	None of the Directors is related to Mr. Indresh Narain.	None of the Directors is related to Mrs. Asha Mundra.	None of the Directors is related to Mr. Om Prakash Khetan.
Number of Meeting of Board attended during the year	4 (Four)	4 (Four)	4 (Four)	3 (Three)	4 (Four)
Directorship of other Boards as on 31st March, 2018	1. M/s. Dhampur Sugar Mills Limited 2. M/s. South Asain Enterprises Limited 3. M/s. Trinova India Private Limited	Nil	M/s. Indian Public Schools Society	M/s Anupriya Marketing Limited	Nil
Membership / Chairmanship of Committees of the Board as on 31st March, 2018	**M/s. Dhanuka Agritech Limited** 1. Audit Committee – Chairman 2. Nomination and Remuneration Committee- Chairman **M/s. South Asian Enterprises Limited** 1. Audit Committee – Chairman 2. Nomination and Remuneration Committee- Chairman **M/s. Dhampur Sugar Mills Ltd.** 1. Audit Committee - Members 2. Stakeholders' Relationship Committee-Member	**M/s. Dhanuka Agritech Limited** 1. Audit Committee – Chairman	**M/s. Dhanuka Agritech Limited** 1. Stakeholders' and Relationship Committee- Chairman 2. Audit Committee – Member	**M/s. Dhanuka Agritech Limited** 1. Stakeholders' Relationship Committee- Member	**M/s. Dhanuka Agritech Limited** 1. Nomination and Remuneration Committee- Member

Route map to the venue of the AGM



Form No. MGT-11

Proxy Form

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN	:	L24219DL1985PLC020126
Name of the Company	:	**Dhanuka Agritech Limited**
Registered Office	:	82, Abhinash Mansion, 1st Floor, Joshi Road, Karol Bagh, New Delhi-110 005

Name of the Member(s):
Registered Address:
E-mail ID:
Folio No/ Client ID:
DP ID:

I/We, being the Member(s) holding.....Shares of the above named Company, hereby appoint

1. Name : .....
   Address : .....
   E-mail Id : .....
   Signature....., or failing him

2. Name : .....
   Address : .....
   E-mail Id : .....
   Signature....., or failing him

3. Name : .....
   Address : .....
   E-mail Id : .....
   Signature.....,

as my / our Proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the 33rd Annual General Meeting of M/s. Dhanuka Agritech Ltd. to be held on Friday 10th day of August, 2018 at 10: 30 A.M. at Mapple Emerald Hotel, Rajokri, National Highway-8, New Delhi-110 038 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.		Optional*	
		For	Against
1.	To receive, consider and adopt the Standalone and Consolidated Audited Financial Statements for the Financial Year ended 31st March, 2018 together with the Reports of the Auditors' and Directors' thereon.		
2.	To confirm the payment of Interim Dividend on Equity Shares declared by the Board of Directors of the Company.		
3.	To declare Final Dividend for the Financial Year ended 31st March, 2018.		
4.	To appoint a Director in place of Mr. Mahendra Kumar Dhanuka (DIN: 00628039), who retires by rotation and being eligible, offers himself for re-appointment.		
5.	To appoint a Director in place of Mr. Ashish Saraf (DIN: 07767324), who retires by rotation and being eligible, offers himself for re-appointment.		
6.	To consider appointment of M/s. S.S. Kothari Mehta & Co., Chartered Accountants, (Firm Registration No. 000756N), as Statutory Auditors of the Company to fill casual vacancy caused by resignation of M/s. Ambani & Associates LLP, Chartered Accountants.		
7.	To consider appointment of M/s S.S. Kothari Mehta & Co., Chartered Accountants, (Firm Registration No. 000756N), as Statutory Auditors of the Company to hold office for a period of 5 (Five) years, from the conclusion of the 33rd AGM, till the conclusion of the 38th AGM of the Company and to decide their remuneration.		
8.	To consider and ratify remuneration and appointment of M/s S. Chander and Associates, Cost Accountants (Firm Registration No. 100105), as Cost Auditors of the Company for the Financial Year 2018-19.		
9.	To consider appointment of Mr. Sanjay Saxena (DIN: 01257965), as an Independent Director of the Company for a period of 5 (Five) consecutive years with effect from 22nd May, 2018		
10.	To re-appoint of Mr. Arun Kumar Dhanuka (DIN: 00627425) as Whole time Director of the Company, for a period of 5 (Five) years from 1st August, 2018 to 31st July, 2023 (both days inclusive)		
11.	To consider re-appointment of Mr. Priya Brat (DIN: 00041859) as a non-retiring Independent Director on the Board of the Company for a Second Term of 5 (Five) consecutive years w.e.f. 20th May, 2019.		
12.	To consider re-appointment Mr. Vinod Jain (DIN: 01185937), as a non-retiring Independent Director on the Board of the Company for Second Term of 5 (Five) consecutive years w.e.f. 20th May, 2019.		
13.	To consider re-appointment Mr. Indresh Narain (DIN: 00501297), as a non-retiring Independent Director on the Board of the Company for Second Term of 5 (Five) consecutive years w.e.f. 20th May, 2019.		
14.	To consider re-appointment Mrs. Asha Mundra (DIN: 00394215), as a non-retiring Independent Director on the Board of the Company for Second Term of 5 (Five) consecutive years w.e.f. 20th May, 2019.		
15.	To consider re-appointment Mr. Om Prakash Khetan (DIN: 06883433), as a non-retiring Independent Director on the Board of the Company for Second Term of 5 (Five) consecutive years w.e.f. 20th May, 2019.		
16.	To consider and approve Related Party Transactions with M/s. Dhanuka Marketing Company.		
17.	To consider and approve granting of Loan u/s 185 to M/s. Dhanuka Laboratories Limited.		

Signed this.....day of....., 2018

Signature of Shareholder..... Signature of Proxy Holder(s).....

Affix Revenue Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

*This is only optional. Please put a 'X' in the appropriate column against the resolution indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he / she thinks appropriate.

Dhanuka Agritech Limited

CIN: L24219DL1985PLC020126
Registered Office: 82, Abhinash Mansion, 1st Floor, Joshi Road, Karol Bagh, New Delhi-110 005
Tel. No.011-64656800/1/2; Fax : 011-43850614
Website : www.dhanuka.com

33rd Annual General Meeting

ATTENDANCE SLIP

Registered Folio no. / DP ID no. / Client ID no. :

Number of Shares held

I certify that I am a Member / Proxy / Authorized Representative for the Member of the Company. I hereby record my presence at the 33rd Annual General Meeting of Dhanuka Agritech Limited held at Mapple Emerald Hotel, Rajokri, National Highway - 8, New Delhi-110 038 on Friday, the 10th day of August, 2018 at 10:30 A.M.

Name of the Member / Proxy
(in BLOCK letters)

Signature of the Member / Proxy

Note : Please fill up this attendance slip and hand it over at the entrance of the Meeting hall. Members are requested to bring their copies of the Annual Report to the AGM.

E-voting Facility Particulars

For Remote e-voting	For user Id / Password
EVSN No. 180703006	Please refer point No 14 (iv) of Notes to the Notice of AGM

ECS Mandate Form

Dear Shareholder,

You are hereby requested to update the particulars of your Bank Account, to enable us to electronically transfer Dividend, if any, directly into your Bank Account. In terms of SEBI Circular No. SEBI/HO/MIRSD/DOPI/CIR/P/2018/73 dated 20th April, 2018 ,you are requested to get your Bank Account details updated at the earliest so as to enable the Company to transfer all your Unpaid Dividend and all future Dividends directly into your Account. It will ensure speedy payment of Dividend directly into your Bank Account. Further, an intimation of credit of Dividend amount into your Bank Account will be provided by us. You are requested to submit the following.

1. **For Shares held in electronic form:** Submit duly filled and signed ECS Mandate form along with a photocopy of cancelled cheque of the Bank Account, in which you want Dividend to be transferred; to your Depository Participant (where you hold your Demat Account).
2. **For Shares held in physical form:** Submit duly filled and signed ECS Mandate form along with a photocopy of cancelled cheque of the Bank Account, in which you want Dividend to be transferred and a self attested copy of PAN to the Company's Registrar and Transfer Agent (RTA), M/s Abhipra Capital Limited.

Unit: Dhanuka Agritech Limited
Abhipra Capital Limited
Abhipra Complex,
A-387, Dilkush Industrial Area,
G.T. Karnal Road, Azadpur,
Delhi – 110 033
Dear Sir / Madam,

If Shares held in PHYSICAL mode: Please fill and sign this form and send it to the Registrar (RTA) of the Company

If Shares held in ELECTRONIC mode: Please fill and sign this form and send it to your Depository Participant (DP).

Change in Mode of Payment to ECS

I hereby consent to have the amount of Dividend on my Equity Share(s) credited through the Electronic Clearing Service [ECS] facility. The particulars are:

1. Folio No. / DPID-Client ID No.: .....
   (Folio No. given in equity Share Certificate(s) / Client ID No. given by your DPs)
2. Shareholder's Name: Mr. / Ms. / M/s.: .....
3. Shareholder's Address: .....
4. Particulars of the Bank:
   - Bank & Branch Name and Address:.....
     .....
   - Telephone Number of Bank: .....
   - The nine-digit Code Number of the Bank and Branch appearing on the MICR Cheque issued by the Bank:
     .....
   - IFSC Code: .....
     (Please attach a photocopy of a cheque or a cancelled bank cheque issued by your Bank for verification) Account Type (please) Savings Current Cash Credit
   - Account Number (as appearing on the cheque book): .....
5. Date from which the Mandate should be effective: .....

I hereby declare that the particulars given above are correct and complete. If the transaction is delayed or not effected at all for reasons of incomplete or incorrect information being furnished by me, I would not hold the Company / Registrar & Transfer Agent of the Company responsible. I also undertake to inform the DP / Company / Registrar & Transfer Agent in writing, of any further change in the particulars of my Bank Account to facilitate updation of records for the purpose of credit of the Dividend amount through ECS.

_____

Signature of the first/sole Shareholder

Encl: Cancelled Cheque and PAN (Self Attested)

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Drawing Competition on World Water Day 2018



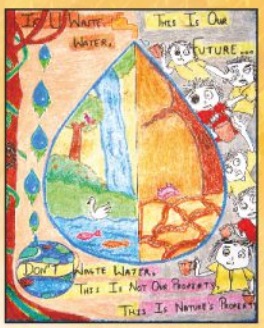
Sahana P. Hosur
Asarsha Vidyalaya, Bilagi, Bagalkot, Karnataka



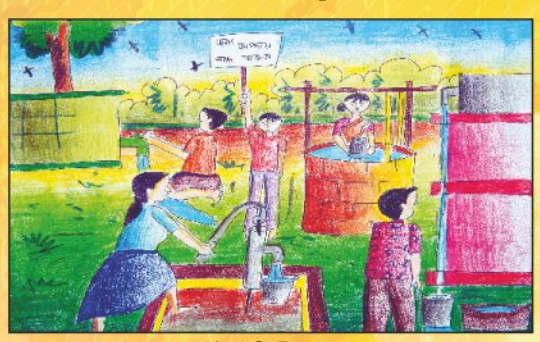
Sahil Chauhan
Saraswati Shishu Mandir - Saket, Muzzafar Nagar, Uttar Pradesh



Ishika Gusain
D/o Shri. Soban Singh, Ludhiana, Punjab



Dhruv Porwal
Porwal Krishi Seva Kendra - Ojha Marg, Nagda, Ujjain, M P



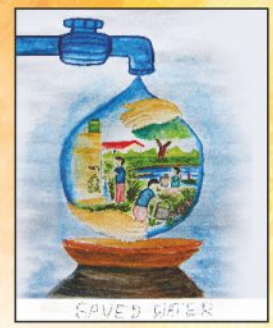
Anish Basu
Ichapur High School, West Bengal



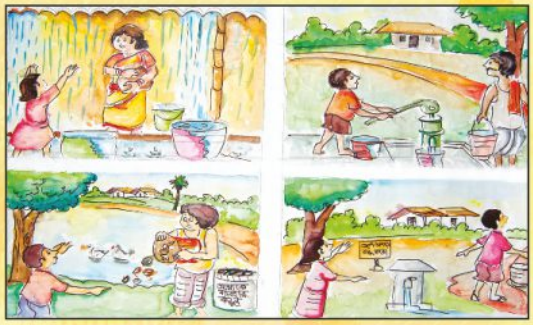
Dipa Dey
SKBD High School, Madan Mohanpur, Bankura, West Bengal



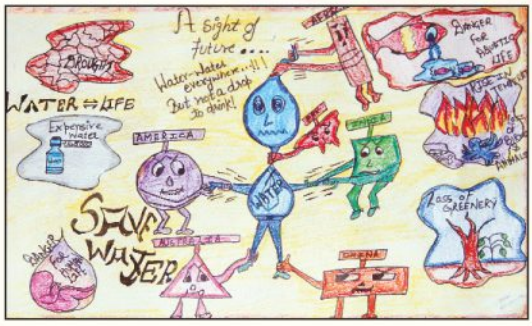
Nidhi Yogesh Bhutada
Pawan Fertilizer - Market Yard, Jintur, Parbhani, Maharashtra



Rahul Dutta
Shaktipur Kumar Mohin Chandrika Institution, Murshidabad, West Bengal



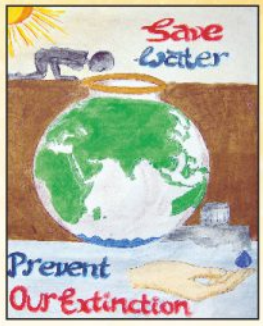
Aritra Barik
Pahalanpur High School - Burdwan, West Bengal



Yashi Gupta
D/o Shri Umakant Gupta, Gurugram Factory, Gurugram, Haryana



Rittik Vyas
Jai Kishan Agro Service Centre - Takhatgarh, Pali, Rajasthan



Lalit Goyal
Ankur Krishi Kendra - Bapu Bazar Nagar, Bharatpur, Rajasthan



• HERBICIDE • FUNGICIDE • INSECTICIDE

Registered Office
82, Abhinash Mansion, 1st Floor, Joshi Road,
Karol Bagh, New Delhi - 110 005
Phone Nos.: (011) 64656800/1/2
E-mail: headoffice@dhanuka.com
CIN: L24219DL1985PLC020126

Corporate Office
14th Floor, Building 5A, DLF Epitome, Cyber City,
DLF Phase III, Gurugram-122002, Haryana
Phone Nos.: (0124) 3838500
Fax No.: (0124) 3838888
E-mail: investors@dhanuka.com

Works
D-1/A-B, Ajanta Industrial Estate, Near Sarika Paints, Viramgam Road, at Vasna Iyava, Sanand, Dist. Ahmedabad-382170 (Gujarat)
Ph. Nos.: (02717) 284567/68,
Fax Nos.: (02717) 284567
E-mail: sanand@dhanuka.com

Plot No. 1, IID Centre,
SICOP Industrial Estate,
Battal Ballian, Udhampur (J&K)
Ph. Nos.: (01992) 250156/57
Fax No.: (01992) 250156
E-mail: udhampur@dhanuka.com

Plot No.SP 4-8, RIICO Industrial Area,
Keshwana Rajput - 303108 Kotputli,
Dist-Jaipur (Rajasthan), India
Phone : +91-7230999980
E-mail : keshwana@dhanuka.com

Sales Offices/Godowns

Ahmedabad, Akola, Anantapur, Bargarh, Bengaluru, Bellary, Cuttack, Davangere, Delhi, Ghaziabad, Gulbarga, Guwahati, Guntur, Hissar, Hubli, Hyderabad, Indore, Jaipur, Jabalpur, Kanchipuram, Karnal, Khammam, Kichha, Kolkata, Kurnool, Lucknow, Ludhiana, Madurai, Nandyal, Nellore, Nashik, Ongole, Patna, Pune, Ranchi, Raipur, Ravulapalem, Salem, Siliguri, Sindhanur, Sohna, Sopore, Sriganganagar, Trichy, Vijawada and Warangal

DISCLAIMER

In this Annual Report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove in accurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

www.dhanuka.com