



F.NSE/QPA/7529
2nd September, 2015

Listing Department
National Stock Exchange of India Ltd.
'Exchange Plaza'
Bandra Kurla Complex,
Bandra (East)
Mumbai – 400 051.

Fax No. **26598237/38, 26598347/48**

Ref: **Scrip Code- ARIES**

Sub: **6 copies of the Annual Reports- 2014-15**

Dear Sir,

As required vide circular No. Cir/CFD/DCR//5/2010 dated 7th May, 2010 of SEBI, attached please find the soft copy of the Annual Report 2014-15 together with Form-A of the Company. The same has been uploaded through the neaps.

Further as required by clause 31(a) of the Listing Agreement, 6 copies of the Annual Report for the year ended 31st March, 2015 together with Form-A are being sent to your office.

Kindly take the same on your records.

Thanking You,

Yours faithfully,

For **ARIES AGRO LIMITED**

A handwritten signature in blue ink, appearing to read 'Ansari', is written over the typed name.



KAISER P. ANSARI
COMPANY SECRETARY & COMPLIANCE OFFICER

Encl: a/a

ANNUAL REPORT 2014-15

aeries agro limited
Energizing Earth



aries agro limited
Energizing Earth

BOARD OF DIRECTORS



Mr. B.V. Dholakia
Independent Director

Mr. C.B. Chhaya
Independent Director

Dr. Rahul Mirchandani
Executive Director

Dr. Jimmy Mirchandani
Chairman & Managing Director

Mrs. Nitya Mirchandani
Director

Prof. R.S.S. Mani
Independent Director



Aries Agro wins the Innovative 100 award for 2 years in a row



ARIES FAMILY GROWS



Award Winners of the Annual Chairman's Trophies for Marketing Teams



Family Day at Aries Corporate office, Mumbai



Felicitation of Aries Mumbai workers, who have served more than 25 years.



Aries Factory Staff and Workers at Mumbai



All India Strategy Meet, Chennai



Half Yearly Review Meet, Agra



Aries Factory Staff and Workers at Hyderabad



Aries Factory Staff and Workers at Chhatral, Gujarat



INTERNATIONAL ENGAGEMENTS



Aries session on optimizing post harvest supply chain for Indian Farmers in Association with Dutch Institute for Advanced Logistics, Holland Pioneers in International Market, Food & Biobased Research, Wageningen University & SCA Group, India



Vietnam Customers Visit



Brazil Client Visit



Students Group of FHNW, University of Applied Science, Switzerland at Aries Corporate HQ for their Annual study tour



Balance Sheet as at March 31, 2015
Statement of Profit & Loss for the year ended March 31, 2015 with Director's Report
**45th Annual Report
2014 - 2015**
BOARD OF DIRECTORS
Dr. Jimmy Mirchandani
Chairman & Managing Director

Dr. Rahul Mirchandani
Executive Director

Prof. R. S. S. Mani,
Mr. C. B. Chhaya
Mr. B. V. Dholakia
Mrs. Nitya Mirchandani
AUDIT COMMITTEE
Prof. R. S. S. Mani, Chairman

Dr. Rahul Mirchandani
Mr. B. V. Dholakia
STAKEHOLDERS RELATIONSHIP COMMITTEE
Prof. R. S. S. Mani, Chairman

Dr. Jimmy Mirchandani
Dr. Rahul Mirchandani
NOMINATION & REMUNERATION COMMITTEE
Prof. R. S. S. Mani, Chairman

Mr. C. B. Chhaya
Mr. B. V. Dholakia
TREASURY COMMITTEE
Dr. Jimmy Mirchandani, Chairman

Dr. Rahul Mirchandani
Mr. C. B. Chhaya
CORPORATE SOCIAL RESPONSIBILITY COMMITTEE
Dr. Jimmy Mirchandani, Chairman

Dr. Rahul Mirchandani
Mr. B. V. Dholakia
CHIEF FINANCIAL OFFICER
Mr. S. Ramamurthy
COMPANY SECRETARY & COMPLIANCE OFFICER
Mr. Qaiser P. Ansari
STATUTORY AUDITOR
Kirti D. Shah and Associates
INTERNAL AUDITOR
Kirit Manek & Co.
COST AUDITOR
R. Nanabhoy & Co.
SECRETARIAL AUDITOR
Mr. A. Sekar
BANKERS
AXIS Bank Ltd.
Canara Bank
HDFC Bank Limited
ICICI Bank Ltd.
BRANCHES/STOCK LOCATIONS
Ahmedabad, Gujarat

Bangalore, Karnataka

Bellary, Karnataka

Bhubaneshwar, Orissa

Coimbatore, Tamil Nadu

Ghaziabad, Uttar Pradesh

Guwahati, Assam

Hissar, Haryana

Hyderabad, Telangana

Indore, Madhya Pradesh

Jaipur, Rajasthan

Jalandhar, Punjab

Kolkata, West Bengal

Lucknow, Uttar Pradesh

Nagpur, Maharashtra

Nashik, Maharashtra

Nipani, Karnataka

Patna, Bihar

Raipur, Chhatisgarh

Ranchi, Jharkhand,

Rudrapur, Uttaranchal

Siliguri, West Bengal

Solapur, Maharashtra

Sriganganagar, Rajasthan

Vijayawada, Andhra Pradesh

MANUFACTURING LOCATIONS
Mumbai
Bangalore
Hyderabad
Chhatral
Lucknow
Sharjah, UAE(Subsidiary Company)

Fujairah, UAE(Subsidiary Company)

Registered Office: : Aries House, Plot No. 24, Deonar, Govandi(East), Mumbai-400 043, Web Site: www.ariesagro.com

CONTENTS

Description	Company	Page Nos.
Highlights	Aries Agro Limited	1
Chairman's Letter to Share Holders	Aries Agro Limited	2
Notice & Agenda	Aries Agro Limited	3-13
Directors Report	Aries Agro Limited	14-31
	Aries Agro Care Private Limited	126-130
	Aries Agro Equipments Private Limited	145-150
	Aries Agro Produce Private Limited	166-171
Auditors Report	Aries Agro Limited- Standalone	49-51
	Aries Agro Limited- Consolidated	77
	Golden Harvest Middle East FZC	102
	Amarak Chemicals FZC	113
	Aries Agro Care Private Limited	131-132
	Aries Agro Equipments Private Limited	151-152
	Aries Agro Produce Private Limited	172-173
Reports & Accounts		
Balance Sheet as at 31 st March, 2015	Aries Agro Limited- Standalone	52
	Aries Agro Limited- Consolidated	78
	Golden Harvest Middle East FZC	103
	Amarak Chemicals FZC	114
	Aries Agro Care Private Limited	133
	Aries Agro Equipments Private Limited	153
	Aries Agro Produce Private Limited	174
Statement of Profit & Loss for the period ended at 31 st March, 2015	Aries Agro Limited- Standalone	53
	Aries Agro Limited- Consolidated	79
	Golden Harvest Middle East FZC	104
	Amarak Chemicals FZC	115
	Aries Agro Care Private Limited	134
	Aries Agro Equipments Private Limited	154
	Aries Agro Produce Private Limited	175
Cash Flow Statements	Aries Agro Ltd- Standalone	54
	Aries Agro Ltd- Consolidated	80
	Golden Harvest Middle East FZC	105
	Amarak Chemicals FZC	116
	Aries Agro Care Private Limited	135
	Aries Agro Equipments Private Limited	155
	Aries Agro Produce Private Limited	176
Notes to Accounts	Aries Agro Limited- Standalone	55-74
	Aries Agro Limited- Consolidated	81-101
	Golden Harvest Middle East FZC	106-112
	Amarak Chemicals FZC	117-124
	Aries Agro Care Private Limited	136-143
	Aries Agro Equipments Private Limited	156-164
	Aries Agro Produce Private Limited	177-183
Report on Corporate Governance	Aries Agro Limited	32-44
Management Discussion and Analysis Report	Aries Agro Limited	45-47
Report on Corporate Social Responsibility	Aries Agro Limited	48
Statement pursuant to Section 129 of the Companies Act, 2013		75-76
AGM Attendance Slip/Proxy Form	Aries Agro Limited	

Financial Highlights - Standalone

(Rupees in Lacs)

Particulars	2014-15	2013-14	2012-13	2011-12	2010-11
Revenue from Operations	23,411.19	23,286.50	18,675.88	19,162.38	15,598.56
Total Income	23,563.47	23,512.73	18,999.06	19,694.10	15,976.16
Earnings Before Interest, Tax, Depreciation & Amortisation (EBITDA)	3,820.50	4,264.70	3,428.95	3,781.42	3,662.33
EBITDA %	16.32	18.31	18.36	19.73	23.48
Depreciation & Amortisation	181.72	146.97	184.77	188.64	180.55
Exceptional Items	33.04	32.65	36.66	53.63	33.62
Profit Before Depreciation and Tax	1,690.85	1,987.93	1,588.21	1,838.88	2,416.38
Profit Before Depreciation and Tax %	7.22	8.54	8.50	9.60	15.49
Profit Before Tax (PBT)	1,509.13	1,840.97	1,403.44	1,650.24	2,235.83
PBT %	6.45	7.91	7.51	8.61	14.33
Profit for the Year	1,181.28	1,153.03	934.13	1,044.61	1,438.18
Equity Dividend %	20.00	20.00	15.00	15.00	20.00
Dividend Payout	0.21	0.22	0.20	0.18	0.18
Equity Share Capital	1,300.43	1,300.43	1,300.43	1,300.43	1,300.43
Reserves & Surplus	12,212.75	12,029.36	11,180.62	10,474.71	9,657.56
Net Worth	13,513.19	13,329.79	12,481.05	11,775.14	10,958.00
Gross Fixed Assets	4,902.41	4,779.06	4,875.42	4,109.51	4,207.93
Net Fixed Assets	2,109.58	3,489.32	3,694.48	2,972.54	3,197.82
Total Assets	30,435.63	32,266.38	33,707.37	30,931.68	29,986.91
Market Capitalisation	13,745.59	7,425.48	5,858.45	9,915.81	15,624.71
Number of Employees	753	785	748	765	645

Key Indicators - Standalone

Particulars	2014-15	2013-14	2012-13	2011-12	2010-11
Earnings Per Share - Rs. (Excluding Exceptional Items)	9.34	9.12	7.47	8.45	11.32
Turnover Per Share - Rs.	180.03	179.07	143.61	147.35	119.95
Book Value Per Share - Rs.	103.91	102.50	95.98	90.55	84.26
Debt : Equity Ratio	0.85	0.99	1.19	1.05	0.94
EBITDA / Gross Turnover %	15.98	17.95	18.07	19.45	23.14
Net Profit Margin %	5.05	4.95	5.00	5.45	9.22
RONW %	8.74	8.65	7.48	8.87	13.12
ROCE %	14.36	15.18	11.61	14.74	16.20
Price Earning Ratio	11.32	6.26	6.03	9.03	10.62
Market Vale per Share	105.70	57.10	45.05	76.25	120.15

CHAIRMAN'S LETTER TO SHAREHOLDERS

Dear Members,

It is with great pleasure that I present to you the 45th Annual Report of your Company, Aries Agro Limited.

The year under review 2014-15 in this Report was characterized by an extremely erratic season with delay in onset of monsoon by almost 1-1½ months as a result of which, the Kharif season was inordinately delayed. Later, the Kharif crop did improve, however unseasonal rains at the end of the season affected the harvest and crop quality. The Rabi season was once again expected to be good, however despite availability of water, the widespread cold wave and extended winter, frost and hailstorm which spread throughout the winter and spring months, caused significant decline in Rabi sales in comparison with the plans. Despite this, the Company managed to retain its sales turnover.

The total capacity utilization currently stands at 51% of the total installed capacity of 84,600 MT p.a. in India. Our international manufacturing facilities at UAE have also maintained the capacity utilization of 39% of the total installed capacity overseas.

It is noteworthy that for ten consecutive years Aries quality management system has been audited and certified as NS-EN ISO 9001:2008 with zero non-compliance report.

Aries also appointed new exclusive distributors for Nepal and participated in Bangladesh Youth Leadership Conference. Aries was invited to present its entrepreneurial journey at the Commonwealth Games Business Conference in Glasgow, UK. The session was witnessed by delegates from 53 Commonwealth countries.

Aries team partnered with SCA group, the Netherlands Government and engaged 40 dealers and farmers from Gujarat and Maharashtra in a Capacity Building Workshop for optimizing post harvest supply chain for Indian farmers on tomato and banana.

We were also involved in the mentorship of North Eastern Youth from Nagaland in agricultural entrepreneurship opportunities. Your Company also played a key role in the innovation and entrepreneurship workshops conducted by the Entrepreneurship Development Institute of India, Gandhinagar, Gujarat.

Continuing our innovative marketing campaigns, your Company conducted India's first series of agri inputs flash sales in Khajuraho, Chandigarh, Indore, Ahmedabad, Jaipur, Varanasi, Patna and Srinagar. This was one of the most successful new marketing initiatives undertaken during the year 2014-15 and it generated lot of enthusiasm amongst the Aries customers.

International sales have commenced in Brazil, Taiwan, Vietnam, Sri Lanka, Pakistan, Australia, Ecuador, New Zealand, Singapore, UK, Trinidad and Zambia, with supplies from Indian and UAE factories. Distributors have been appointed in Brazil, Vietnam, Cambodia, Sri Lanka, New Zealand, and Ecuador and we expect export and global sales to grow and form around one third of the group revenues of the Company by Financial Year 2015-16.

Aries has sourced 32% of its total raw materials from overseas suppliers located in China, Israel, Turkey, U.A.E., U.S.A, U.K., Belgium, Chile and South Africa. Imports constitute 35% of our total purchases and our Company has identified a pool of reliable overseas suppliers.

Financial year 2014-15 was characterized by relatively stable cost structures. Even the cost of fuel, USD and interest rates either remained stable or slightly declined, however the cost of operations increased as a percentage due to fixed costs since sales did not grow as expected. Demand in the market was not as buoyant due to two consecutive bad seasons.

One of the major increase in cost was on account of marketing and sales promotion expenses which were considered essential to retain market share.

During the previous financial year, the Company considered it prudent to reduce the man power employed in various areas. The manpower was reduced from 785 to 753 in the year under review.

Aries has always recognized that its business is working capital intensive. With the objective of reducing working capital load, the Company has reduced

number of brands and number of Stock Keeping Units (SKU). Sales depots were asked to maintain inventory of only the brands that provide them with 80% of their total turnover with the balance 20% being supplied on a need only basis. A total of 11 cases were filed for recovery of old outstandings.

Aries continues its tradition of carrying out range of activities that create knowledge spread and adoption of farming best practices in the markets that Aries functions in. The Company has carried out a range of projects during the financial year 2014-15 in addition to some philanthropic activities.

The Company has set up Farmer's Call Centre at its Vijayawada branch. They collect soil testing data and answer farmer queries in order to provide a direct connect with Aries consumers. During the last year, 2500 farmers called the call center and queries included all aspects of integrated nutrient management, pest management, soil selection, post harvest management, etc

During the year under review 2401 knowledge dissemination activities including farmers meetings were undertaken impacting 47385 number of farmers. These sessions were conducted by team of 48 extension officials spread across 17 states.

The Company has organized during the year soil testing camps in North Karnataka, Andhra Pradesh and Telangana using Mobile Soil Testing Kits. 1844 Soil Health Cards were issued to farmers providing an additional service in order that they understand the specific nutrient needs of their farms.

Aries was the first respondents to the relief work after the Kashmir floods. The staff contributed upto a day of salary and provided relief material including Rice, Water Purifying tablets, Vaccines, Chlorine tablets, Mask and Gloves, Toothbrush and Toothpaste and Stationery.

Series of activities were conducted in Andhra Pradesh under the Swach Bharat Mission including Child and Police Project School - Guntur, Construction of Girl's washrooms in upper primary schools in Andhra Pradesh and supplying new tables and water purifying system to rural schools in Warangal district.

2015 monsoon has commenced on schedule and has rapidly spread across the country. June rainfall figures are 20% above normal. However, it is expected that El-Nino conditions will prevail during July and August 2015. Off season placement has resulted in healthy order book for the Kharif season and product placements well before the season reaches its peak have been planned. The Company will actively monitor the progress of rains and will pursue liquidation aggressively in all markets.

The Company will introduce three new brands during the current Financial Year

Arisil: is a natural, mined product in the form of Diatomaceous Earth.

Calcomag - contains sufficient micro/macro nutrients to combat mineral deficiency in the pond soil in aquaculture and

Calpro: Calcium Amino Acid Chelate for agriculture

For the fourth consecutive year, we were awarded "Certificate of Excellence" in recognition of our Exemplary Growth – in this year's Inc India 500 ranking of India's 500 fastest-growing mid-size enterprises. We were also awarded the 'Innovative 100 – Certificate of excellence' in recognition of smart innovation by 9.9 Media & Inc. India for two consecutive years.

Our Executive Director was awarded the "Inc India Certificate of Excellence" for being ranked amongst 30 most Innovative Indian CEOs for the year 2014

I would like to thank each one of you personally for your confidence in Aries. Together, we will ensure that your Company grows further in the years ahead.

Sincerely,

Dr Jimmy Mirchandani
Chairman & Managing Director

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Forty Fifth Annual General Meeting of the Members of **ARIES AGRO LIMITED** will be held on Wednesday, the 30th September, 2015 at 10.00 a.m. at The Chembur Gymkhana, 16th Road, Chembur, Mumbai-400 071, to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider, approve and adopt:
 - a. the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2015, together with the Reports of the Board of Directors and the Auditors thereon.
 - b. the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2015, together with the Report of the Auditors thereon.
2. To declare Dividend for the Financial Year ended 31st March, 2015.
3. To appoint a Director in place of Mrs. Nitya Mirchandani (DIN 06882384) who retires by rotation and being eligible offers herself for re-appointment.
4. **Ratification of Appointment of Auditors for the Financial Year 2015-2016.**

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

"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, the Company hereby ratifies the appointment of M/s. Kirti D. Shah & Associates, Chartered Accountants, Mumbai, (Membership No. 32371 and having Peer Review Certificate issued by the Institute of Chartered Accountants of India), as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the Forty Sixth AGM of the Company to be held in the year 2016, at such Remuneration plus Service Tax, Out-of-Pocket, Travelling Expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors."

SPECIAL BUSINESS

5. **Re-appointment of Dr. Jimmy Mirchandani as the Managing Director and revision in remuneration.**

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 and other applicable provisions read with Schedule V to the Companies Act, 2013, ("Act"), as amended or re-enacted from time to time, and subject to such approvals, if any, as may be necessary, the Company hereby approves the re-appointment and terms of remuneration of Dr. Jimmy Mirchandani (DIN 00239021) as the Managing Director of the Company for a period of 3(Three) years commencing from 1st October, 2015 upto and inclusive of 30th September, 2018 upon the terms and conditions including remuneration as broadly specified below and more specifically as set out in the draft Agreement submitted to this meeting and signed by the Chairman for purpose of identification which Agreement

is hereby specifically sanctioned, the Explanatory Statement annexed to the Notice convening this Annual General Meeting (including the remuneration to be paid in the event of Loss or In-adequacy of Profit in any Financial Year during the tenure of his appointment) with authority to the Board of Directors (which includes Nomination and Remuneration Committee) to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors and Dr. Jimmy Mirchandani."

OVERALL REMUNERATION

Subject to the provisions of Section 196, 197, Schedule V and other provisions of the Companies Act, 2013, the remuneration payable to Dr. Jimmy Mirchandani, in any financial year shall not exceed 5%(Five percent) of the net profits of the Company.

MINIMUM REMUNERATION

Where in any financial year during the currency of the tenure of Dr. Jimmy Mirchandani, the Company has no profits or its profits are inadequate, the remuneration payable to Dr. Jimmy Mirchandani, will be according to the applicable provisions of Schedule V of the Act. Within the aforesaid ceiling, the remuneration payable to Dr. Jimmy Mirchandani, Managing Director, shall be as follows :-

SALARY, PERQUISITES AND ALLOWANCES

Not Exceeding Rs. 5,00,000/- pm inclusive of all perquisites and allowances (as stated below) except those specifically excluded as per Schedule V of the Act.

COMMISSION:

As decided by the Board of Directors at the time of adoption of accounts, but not exceeding the ceiling in respect of overall remuneration as prescribed under Section 197 of the Companies Act, 2013.

Other Terms and Conditions:

PERQUISITES :

- A. Rent Free furnished accommodation or House Rent Allowance not exceeding Rs. 40,000/- per month along with benefits of gas, fuel, water, electricity and telephone/ fax as also upkeep and maintenance of the residential accommodation the value of such accommodation and its upkeep and maintenance being evaluated in accordance with the provisions of the Income Tax Rules. Personal long distance calls will be billed to Dr. Jimmy Mirchandani.
- B. Conveyance : Company car with chauffeur or alternatively Company to maintain Dr. Jimmy Mirchandani's personal car and provide him with a chauffeur; monetary value for private use to be evaluated in accordance with the Income Tax Rules.
- C. Medical Benefits : Reimbursement of medical expenses for himself and his family actually incurred during the continuance of his employment as per Rules of the Company upto a limit of one months salary in a year or three months salary over a period of three years.
- D. Communication Allowance/Expenses: Dr. Jimmy Mirchandani will be entitled for communication allowance/ reimbursement as per rules of the Company.
- E. Leave : 30 working days leave (travelling time included) once in every year of service, with encashment of unavailed leave at the end of the tenure.

- F. Leave Travel Assistance : Leave travel concession for self and family, once every year or as per Rules of the Company upto a limit of one months salary in a year.
- G. Other Perquisites e.g. Personal Accident Insurance for himself and for his family and Club Fees (Subject to a maximum of two clubs. No admission or life membership fee will be paid) and any others, upto a maximum of Rs. 30,000/- p.m.
- H. Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961; gratuity payable at a rate not exceeding half a month salary for each completed year of service and encashment of unavailed leave at the end of tenure shall not be included in the computation of the ceiling on remuneration in terms of Schedule V of the Companies Act, 2013.

SITTING FEES

Dr. Jimmy Mirchandani will not be entitled to Sitting Fees for meetings of the Board / Committee of the Board attended by him."

COMPENSATION

If any time the office of the Managing Director is determined before the expiry of his terms of office, the Managing Director shall be entitled to compensation for loss of office in accordance with and subject to the restrictions laid down in Section 191 and 202 of the Companies Act 2013 and rules framed thereunder.

6. Re-appointment of Dr. Rahul Mirchandani as the Executive Director and revision in remuneration.

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 and other applicable provisions read with Schedule V to the Companies Act, 2013, ("Act"), as amended or re-enacted from time to time, and subject to such approvals, if any, as may be necessary, the Company hereby approves the re-appointment and terms of remuneration of Dr. Rahul Mirchandani (DIN 00239057) as the Executive Director of the Company for a period of 3(Three) years commencing from 1st October, 2015 upto and inclusive of 30th September, 2018 upon the terms and conditions including remuneration as broadly specified below and more specifically as set out in the draft Agreement submitted to this meeting and signed by the Chairman for purpose of identification which Agreement is hereby specifically sanctioned, the Explanatory Statement annexed to the Notice convening this Annual General Meeting (including the remuneration to be paid in the event of Loss or In-adequacy of Profit in any Financial Year during the tenure of his appointment) with authority to the Board of Directors (which includes Nomination and Remuneration Committee) to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors and Dr. Rahul Mirchandani."

OVERALL REMUNERATION

Subject to the provisions of Section 196, 197, Schedule V and other provisions of the Companies Act, 2013, the remuneration payable to Dr. Rahul Mirchandani, in any financial year shall not exceed 5%(Five percent) of the net profits of the Company.

MINIMUM REMUNERATION

Where in any financial year during the currency of the tenure of Dr. Rahul Mirchandani, the Company has no profits or its profits are inadequate, the remuneration payable to Dr. Rahul Mirchandani, will be according to the applicable provisions of Schedule V of the Act. Within the aforesaid ceiling, the remuneration payable to Dr. Rahul Mirchandani, Executive Director, shall be as follows :-

SALARY, PERQUISITES AND ALLOWANCES

Not Exceeding Rs. 5,00,000/- pm inclusive of all perquisites and allowances (as stated below) except those specifically excluded as per Schedule V of the Act.

COMMISSION:

As decided by the Board of Directors at the time of adoption of accounts, but not exceeding the ceiling in respect of overall remuneration as prescribed under Section 197 of the Companies Act, 2013.

Other Terms and Conditions:

PERQUISITES :

- A. Rent Free furnished accommodation or House Rent Allowance not exceeding Rs. 40,000/- per month along with benefits of gas, fuel, water, electricity and telephone/ fax as also upkeep and maintenance of the residential accommodation the value of such accommodation and its upkeep and maintenance being evaluated in accordance with the provisions of the Income Tax Rules. Personal long distance calls will be billed to Dr. Rahul Mirchandani.
- B. Conveyance : Company car with chauffeur or alternatively Company to maintain Dr. Rahul Mirchandani's personal car and provide him with a chauffeur; monetary value for private use to be evaluated in accordance with the Income Tax Rules.
- C. Medical Benefits : Reimbursement of medical expenses for himself and his family actually incurred during the continuance of his employment as per Rules of the Company upto a limit of one months salary in a year or three months salary over a period of three years.
- D. Communication Allowance/Expenses: Dr. Rahul Mirchandani will be entitled for communication allowance/ reimbursement as per rules of the Company.
- E. Leave : 30 working days leave (traveling time included) once in every year of service, with encashment of unavailed leave at the end of the tenure.
- F. Leave Travel Assistance : Leave travel concession for self and family, once every year or as per Rules of the Company upto a limit of one months salary in a year.
- G. Other Perquisites e.g. Personal Accident Insurance for himself and for his family and Club Fees (Subject to a maximum of two clubs. No admission or life membership fee will be paid) and any others, upto a maximum of Rs. 30,000/- p.m.
- H. Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961; gratuity payable at a rate not exceeding half a month salary for each completed year of service and encashment of unavailed leave at the end of tenure shall not be included in the computation of the ceiling on remuneration in terms of Schedule V of the Companies Act, 2013.

SITTING FEES

Dr. Rahul Mirchandani will not be entitled to Sitting Fees for meetings of the Board / Committee of the Board attended by him."

COMPENSATION

If any time the office of the Executive Director is determined before the expiry of his terms of office, the Executive Director shall be entitled to compensation for loss of office in accordance with and subject to the restrictions laid down in Section 191 and 202 of the Companies Act 2013 and rules framed thereunder.

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

To consider and, if thought fit, to pass with or without modification/s, the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of Rs. 2,10,000/-(Rupees Two Lakhs Ten Thousands Only) plus Service Tax and reimbursement of Out of Pocket Expenses at actual as approved by the Board of Directors of the Company payable to Ms. R. Nanabhoy & Co., Cost Accountants, having firm's registration No. 000010 for conducting the Cost Audit of the records maintained by the Company for the financial year ending 31st March, 2016, be and is hereby ratified."

By Order of the Board

Qaiser P. Ansari
Company Secretary
Membership No. ACS-8979

Place: Mumbai
 Date: 11th August, 2015

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. THE PROXY IN ORDER TO BE EFFECTIVE SHOULD BE LODGED WITH THE COMPANY AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY SO APPOINTED SHALL NOT HAVE ANY RIGHT TO SPEAK AT THE MEETING. BLANK PROXY FORM IS ENCLOSED.
 Pursuant to the provision of Section 105 of the Companies Act, 2013 a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. Corporate Members intending to send their Authorised Representatives to attend the Meeting are requested to send to the Company a Certified Copy of the Board Resolution authorizing their Representative to attend and Vote on their behalf at the Meeting.

4. The relative Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of Special Business is annexed hereto. The relevant details as required under Clause 49 of the Listing Agreement entered into with the Stock Exchanges, of persons seeking appointment/re-appointment as Directors under item 3, 5 & 6 of the Notice, are also annexed.
5. All the documents referred to in the Notice and Explanatory Statement are open for inspection at the Registered Office of the Company between 10.00 a.m. and 12.00 noon on all days, except Saturdays, Sundays and holidays until the date of the Annual General Meeting or any adjournment thereof.
6. Members desirous of getting any information about the accounts and operations of the Company are requested to write their queries to the Company at least seven days in advance of the meeting so that the information required can be made readily available at the meeting.
7. Individual shareholders can now take the facility of nomination. The nominee shall be the person in whom all rights of transfer and/or amount payable in respect of shares shall vest in the event of the death of the shareholder(s). A minor can be a nominee provided the name of the guardian is given in the Nomination Form. Members who are interested in availing the nomination facility are requested to write to the Company.
8. The Register of Members and Share Transfer Books of the Company will be closed from Saturday, 19th September, 2015 to Wednesday, 30th September, 2015 (both days inclusive) for determining the names of members eligible for Dividend on Equity Shares, if declared at the Meeting as recommended by the Board of Directors. On such declaration of Dividend at the forthcoming Annual General Meeting, such Dividend will be paid on 26th October, 2015 to those members whose names appear on the Register of Members on 18th September, 2015 after giving effect to valid transfers in respect of transfer requests lodged with the Company on or before the close of business hours on 11th September, 2015. In respect of shares held through the depositories, Dividend will be paid on the aforesaid date to the beneficial owners of shares whose names appear at the close of business hours on 18th September, 2015 as per details furnished by the depositories for this purpose.
9. Members are requested to avail the facility of remittance of Dividend through the National Electronic Clearing Systems (NECS). The NECS facility is available at locations identified by the Reserve Bank of India from time to time. Members holding shares in physical form and desirous of availing this facility are requested to immediately write to the Company's Registrars and Transfer Agents with changes in their bank account/account numbers, if any, along with a photocopy of a blank cheque pertaining to the concerned account.
10. Beneficial Owners holding shares in Electronic/ Demat form are requested to notify any change in their Address, Bank Account, Mandate, etc. to their respective Depository Participant. ECS Mandates has to be sent to the concerned Depository Participant directly.
11. Members holding shares in physical form are requested to notify any change in their Address, Bank Accounts etc. to the Registrar and Transfer Agent of the Company.
12. The Securities and Exchange Board of India (SEBI) has made it mandatory to print the Bank Details of the Investors on the physical payment instruments, if any payment is made to Investors by physical payment instrument. Members holding

shares in physical form are requested to immediately submit their Bank Details to the Company/Registrars and Transfer Agents, M/s Aarathi Consultants Private Limited.

13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number(PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their Demat Accounts. Members holding shares in physical form can submit their PAN details to the Company/Registrars and Transfer Agents, M/s Aarathi Consultants Private Limited.
14. Members/ Proxies should bring the attendance slip duly filled in for attending the meeting. The Identity/Signature of the Members holding shares in Electronic/Demat form is liable for verification with Specimen Signatures as may be furnished by NSDL/CDSL to the Company. Such Members are advised to bring the relevant Identity Card issued by the Depository Participant to the Annual General Meeting.
15. **Members are requested to bring their copy of the Annual Report to the Annual General Meeting.**
16. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
17. Non-Resident Indian Members are requested to inform Aarathi Consultants Private Limited, immediately of:
 - a) Change in their residential status on return to India for permanent settlement.
 - b) Particulars of their Bank Account maintained in India with complete Name, Branch, Account Type, Account Number and address of the Bank with Pin Code Number, if not furnished earlier.
18. All the shareholders are requested to register their email IDs with the Company or with the Registrar and Share Transfer Agents and thereby implement the "Green Initiative" as per the

Circular No. 17/2011 dated April 21, 2011 and No. 18/ 2011 dated April 29, 2011 issued by the Ministry of Corporate Affairs (MCA) to enable electronic delivery of Notices/ Documents and Annual Reports to shareholders. Members holding shares in electronic mode or in physical mode are requested to update their email addresses by writing to the Company directly to the Company Secretary, Aries Agro Limited, Aries House, Plot No. 24, Deonar, Govandi(E), Mumbai-400 043 or to the Registrar and Transfer Agents at their address mention below.

19. The Company has submitted with the MCA the List of Un-Paid Dividends and the IPO Application Money Refund as on the date of the last AGM i.e. and the same is also displayed in the Investor Relations Section on our web-site at www.ariesagro.com.
20. In compliance with Sections 205A and 205C of the Companies Act, 1956, unclaimed Interim Dividend for the year ended 31st March, 2008 has been transferred to the 'Investor Education and Protection Fund' (IEPF) established by the Central Government. Unclaimed Dividends for all the subsequent years will be transferred to the IEPF according to the statutory stipulations. Members are requested to contact the Company's Registrar & Share Transfer Agents, in respect of their outstanding dividends for the succeeding years.
21. In accordance with the Companies Act, 2013 read with the Rules, the Annual Reports are sent by electronic mode to those members whose shareholding is in dematerialised format and whose email ids are registered with the Depository for communication purposes. The members holding shares in physical form and who have not registered their email ID are requested to register their email ID addresses with M/S Aarathi Consultants Private Limited the Company's Registrars and Transfer Agents.
22. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with M/S Aarathi Consultants Private Limited / Depositories.

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

Particulars required	Information
Name of the Director	Mrs. Nitya Mirchandani
Date of Birth	29 th January, 1978
Date of Appointment	30 th May, 2014
Expertise in specific functional areas	Woman Director
Qualifications	B.A., Diploma in Human Resource Management
Chairman/Member of the Committees of the Board of Directors of the Company.	NIL
Directorship in other Companies	NIL
Membership of Audit Committee of other Public Limited Companies	NIL
Membership of any other Committee of other Public Limited Companies.	NIL

Particulars required	Information
Name of the Director	Dr. Jimmy Mirchandani
Date of Birth	10 th January, 1956
Date of Appointment	15 th January, 1976
Expertise in specific functional areas	As Managing Director, he oversees all the functions and day to day affairs of the Company and particular Marketing, Finance and Administration.
Qualifications	B.Sc. (Veterinary), LL B.
Chairman/Member of the Committees of the Board of Directors of the Company.	Member of the Stake Holders Relationship Committee, Treasury Committee and CSR Committee.

Directorship in other Companies	Sreeni Agro Chemicals Ltd. Aries East-West Nutrients Pvt. Ltd. Blossoms International Ltd. Aries Agro Care Pvt. Ltd. Aries Agro Equipments Pvt. Ltd. Aries Agro Produce Private Limited Golden Harvest Middle East FZC Amarak Chemicals FZC
Membership of Audit Committee of other public limited companies	NIL
Membership of any other committee of other public limited companies.	NIL

Particulars required	Information
Name of the Director	Dr. Rahul Mirchandani
Date of Birth	12 th August, 1975
Date of Appointment	2 nd February, 1994
Expertise in specific functional areas	As Executive Director, he oversees various functions of the Company namely Marketing, Brand Promotion and New Product Development etc.
Qualifications	B.Com, CFA , MBA, Ph. D (Management Studies) from NMIMS.
Chairman/Member of the Committees of the Board of Directors of the Company.	Member of the Audit Committee, Stake Holders Relationship Committee, Treasury Committee and CSR Committee.
Directorship in other Companies	Sreeni Agro Chemicals Ltd. Aries East-West Nutrients Pvt. Ltd. Blossoms International Ltd. Aries Marketing Ltd. Aries Agro Care Pvt. Ltd. Aries Agro Equipments Pvt. Ltd. Aries Agro Produce Private Limited Golden Harvest Middle East FZC
Membership of Audit Committee of other Public Limited Companies	NIL
Membership of any other Committee of other Public Limited Companies.	NIL

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

AARTHI CONSULTANTS PRIVATE LIMITED

1-2-285, Domalguda, Hyderabad – 500 029, Telangana, India
Tel : +91-40-27634445 / 27642217, Fax: +91-40-27632184
E-mail: aries@arthiconsultants.com
Website: www.arthiconsultants.com

25. Voting through electronic means

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 45th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services Limited (CDSL).

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

- (i) The voting period begins on Thursday, 24th September, 2015 at 10.00 a.m. and ends on Tuesday, 29th September, 2015 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the Cut-Off date Friday, 18th September, 2015,

may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (ii) Shareholders who have already voted prior to the Meeting date would not be entitled to vote at the Meeting Venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period
- (iv) Click on "Shareholders" tab.
- (v) Now Enter your User ID
- For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.

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

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number(Available in the Address label pasted in the cover and/or in the e-mail sent to the members) in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA000000001 in the PAN field.
Dividend Bank Details Or Date of Birth(DOB)	<p>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.</p> <ul style="list-style-type: none"> If both the details are not recorded with the Depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the Company <ARIES AGRO LIMITED> on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xix) Note for Non-Individual Shareholders and Custodians

Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.

A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

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

Mr. Wenceslaus Furtado
 Designation: Deputy Manager
 Address: Phiroze Jeejeebhoy Towers, 16th Floor,
 Dalal Street, Fort, Mumbai- 400001.
 email id:helpdesk.evoting@cdslindia.com<<mailto:helpdesk.evoting@cdslindia.com>>
 Phone number: 18002005533

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

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

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

By Order of the Board

Kaiser P. Ansari
Company Secretary
Membership No. ACS-8979

Place: Mumbai
 Date: 11th August, 2015

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

Item No. 4

This Explanatory Statement is provided though strictly not required as per Section 102 of the Act.

M/s. Kirti D. Shah & Associates, Chartered Accountants, Mumbai, (Membership No. 32371 and having Peer Review Certificate issued by the Institute of Chartered Accountants of India), were appointed as the Statutory Auditors of the Company for a period of 3(three) years at the Forty Fourth Annual General Meeting of the Company held on 26th September, 2014.

As per the requirement of the Act, M/s. Kirti D. Shah & Associates, Chartered Accountants, have confirmed that the appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act and it is not disqualified to be appointed as Auditor in terms of the provisions of Section 1309 and 141 of the Act and the Companies (Audit and Auditors) Rules, 2014.

It may be noted that Board on the recommendation of the Audit Committee, had approved the payment of Fee for Statutory Audit Not Exceeding Rs. 24,00,000/- plus Service Tax., Fees for Tax Audit Not Exceeding Rs. 2,40,000/- plus Service Tax., Out of Pocket and Travelling Expenses for the Financial Year ended March, 2016.

As per the provision of Section 139(1) of the Act, their appointment for the above tenure is subject to ratification by Members at every AGM.

Accordingly, ratification of the Members is being sought for proposal contained in the Resolution set out at item No. 4 of the Notice.

The Board commends the resolution at Item No. 4 for approval by the Members.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

Item No. 5 and 6

The present terms of Dr. Jimmy Mirchandani as Managing Director and Dr. Rahul Mirchandani as Executive Director will expire on 30th September, 2015.

The Board of Directors of the Company at its Meeting held on 11th August, 2015 have, with the agenda duly circulated in advance and by passing a resolution unanimously, re-appointed Dr. Jimmy Mirchandani as Managing Director and Dr. Rahul Mirchandani as Executive Director of the Company, with effect from 1st October, 2015 for a further period of 3(Three) Years, subject to the approval of the Company in General Meeting in accordance with Schedule V of the Act. The Nomination and Remuneration Committee at their meeting held on 11th August, 2015 have, after considering the various factors namely prevailing pay packets, responsibilities being shouldered by Working Directors, their contribution for the growth of the Company etc., have sanctioned and fixed the remuneration as stated in the resolutions under Item No. 5 and 6.

Information pursuant to the provisions of Schedule V of the Companies Act, 2013 and forming part of the explanatory statement to the Notice convening the Annual General Meeting.

I. GENERAL INFORMATION

(1) Nature of Industry:

The Company can be broadly classified as a focused Specialty Plant Nutrition Company engaged in manufacturing Micronutrients for agriculture produce. The

Company also deals in Veterinary products on a small scale. The Company is also dealing and manufacturing Soluble Fertilisers and Sulphur based fertilizers.

Outstanding Achievements:

For the fourth consecutive year, the Company was awarded **"Certificate of Excellence" in recognition of our Exemplary Growth** – in this year's Inc India 500 ranking of India's 500 fastest-growing mid-size enterprises. Inc. India 500 is an offshoot of the annual Inc. 500 Awards: "Est. in 1982 in America. Inclusion on this list is a mark of entrepreneurial success and elevates our company above its competitors and is a proof of the talent, drive and hard work our team have brought to our business

The Company was also awarded the **'Innovative 100 – Certificate of excellence'** in recognition of smart innovation by 9.9 Media & Inc. India.

Our Executive Director was awarded the "Inc India Certificate of Excellence" for being ranked amongst 30 most Innovative Indian CEOs for the year 2014.

(2) **Date or expected date of commencement of commercial production:**

The Company was incorporated in the year 1969 and since then has been into production.

(3) **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus –**

Not Applicable.

(4) (a) **Financial performance based on given indicators (Based on Audited published financial statement for the year 31/03/2014 & 31.03.2015).**

		As on 31.03.2015	As on 31.03.2014
1.	Sales to Profit before Interest, Depreciation & Tax	16.32%	18.31%
2.	Sales to Profit before Depreciation & Tax	7.22%	8.54%
3.	Current Ratio	1.67	1.64
4.	Debt Equity Ratio	0.85	0.99
5.	Earning Per Share	Rs. 9.34 per share	Rs. 9.12 per share

(4) (b) **Export Performance and net foreign exchange collaborations**

		As on 31/03/2015 (Rs. In Lacs)	As on 31/03/2014 (Rs. In Lacs)	Remarks
1.	Export Earnings	112.43	448.36	--
2.	Net Foreign Exchange Collaborations	NIL	NIL	No Foreign Exchange Collaborations

(6) **Foreign Investments or Collaborators, if any.**

There is no investment by Foreign Collaborators but the FII & Non Resident Indians are holding 1,88,583 Equity Shares of Rs.10/- each fully paid up. The Company's overseas investment in aggregate is Rs. 2,024.89 Lacs in its Subsidiary abroad.

II. INFORMATION ABOUT THE APPOINTEES

A. DR. JIMMY MIRCHANDANI

1) **Background details:**

Dr. Jimmy Mirchandani has been in continuous employment of the Company since 15th January, 1976. He was re-appointed as Chairman & Managing Director of the Company for a period of 3 years from 01/10/2012 to 30/09/2015 by the Members of the Company at their 42nd Annual General Meeting (AGM) held on 28th September, 2012. Further details of Dr. Jimmy Mirchandani have been given in the Annexure to this Notice.

2) **Past remuneration:**

As per the approval granted by the members of the Company at their 42nd AGM held on 28th September, 2012, Dr. Jimmy Mirchandani was entitled to overall remuneration of not exceeding 5% of the Net Profits of the Company in any financial year. Within the said overall remuneration Dr. Jimmy Mirchandani was entitled to a remuneration of Rs. 4,00,000/- p.m. including perquisites as per schedule XIII of the Companies Act, 1956. Dr. Jimmy Mirchandani was also entitled for Commission within the overall remuneration as prescribed under Section 196 and 197 read with Schedule V of the Companies Act, 2013.

3) **Recognition and Awards:**

Dr. Jimmy Mirchandani has a rich and extensive experience of management and his vision and commitment has enabled the Company steer through the most difficult times the Company has faced.

4) **Job Profile and his suitability:**

As Managing Director, he oversees various functions of the Company namely Marketing, Strategy, Finance and Administration. He has a rich and varied background as a self made Industrialist. He imparts solutions to problems, foresight and vision in Marketing and Planning. This insight experience has largely contributed to the Company's progress in present competitive environment.

5) **Remuneration proposed :**

As stated in the Resolution under item No. 5

OVERALL REMUNERATION

Subject to the provisions of Section 196, 197, Schedule V and other provisions of the Companies Act, 2013, the remuneration payable to Dr. Jimmy Mirchandani, in any financial year shall not exceed 5%(Five percent) of the net profits of the Company.

MINIMUM REMUNERATION

Where in any financial year during the currency of the tenure of Dr. Jimmy Mirchandani, the Company has no profits or its profits are inadequate, the remuneration payable to Dr. Jimmy Mirchandani, will be according to the applicable provisions of Schedule V of the Act. Within the aforesaid ceiling, the remuneration payable to Dr. Jimmy Mirchandani, Managing Director, shall be as follows :-

SALARY, PERQUISITES AND ALLOWANCES

Not Exceeding Rs. 5,00,000/- pm inclusive of all perquisites and allowances (as stated below) except those specifically excluded as per Schedule V of the Act.

COMMISSION:

As decided by the Board of Directors at the time of adoption of accounts, but not exceeding the ceiling in respect of overall remuneration as prescribed under Section 197 of the Companies Act, 2013.

Other Terms and Conditions:

PERQUISITES :

- A.** Rent Free furnished accommodation or House Rent Allowance not exceeding Rs. 40,000/- per month along with benefits of gas, fuel, water, electricity and telephone/fax as also upkeep and maintenance of the residential accommodation the value of such accommodation and its upkeep and maintenance being evaluated in accordance with the provisions of the Income Tax Rules. Personal long distance calls will be billed to Dr. Jimmy Mirchandani.
- B.** Conveyance : Company car with chauffeur or alternatively Company to maintain Dr. Jimmy Mirchandani's personal car and provide him with a chauffeur; monetary value for private use to be evaluated in accordance with the Income Tax Rules.
- C.** Medical Benefits : Reimbursement of medical expenses for himself and his family actually incurred during the continuance of his employment as per Rules of the Company upto a limit of one months salary in a year or three months salary over a period of three years.
- D.** Communication Allowance/Expenses: Dr. Jimmy Mirchandani will be entitled for communication allowance/reimbursement as per rules of the Company.
- E.** Leave : 30 working days leave (traveling time included) once in every year of service, with encashment of unavailed leave at the end of the tenure.
- F.** Leave Travel Assistance : Leave travel concession for self and family, once every year or as per Rules of the Company upto a limit of one months salary in a year.
- G.** Other Perquisites e.g. Personal Accident Insurance for himself and for his family and Club Fees(Subject to a maximum of two clubs. No admission or life membership fee will be paid) and any others, upto a maximum of Rs. 30,000/- p.m.
- H.** Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961; gratuity payable at a rate not exceeding half a month salary for each completed year of service and encashment of unavailed leave at the end of tenure shall not be included in the computation of the ceiling on remuneration in terms of Schedule V of the Companies Act, 2013.

SITTING FEES

Dr. Jimmy Mirchandani will not be entitled to Sitting Fees for meetings of the Board / Committee of the Board attended by him."

COMPENSATION

If any time the office of the Managing Director is determined before the expiry of his terms of office, the Managing Director shall be entitled to compensation for loss of office in accordance with and subject to the restrictions laid down in Section 191 and 202 of the Companies Act 2013 and rules framed thereunder.

- 6) **Comparative Remuneration profile :** In this Industry there are Large Corporate House, where the remuneration is substantially higher in line with their turnover and profits. The Company could be classified as a Medium Sized Fertilizer Company and considering its size in terms of turnover and profits, the proposed remuneration could be considered to be reasonable. The proposed remuneration being minimum payable as per Schedule V of the Companies Act, 2013, which is in comparison with prevailing remuneration payable to the managerial person in Industry.
- 7) **Pecuniary relationship with Company or managerial personnel :** Dr. Jimmy Mirchandani is the promoter of the Company and is the son of founder promoter Late Dr. T.B. Mirchandani and Mrs. Bala Mirchandani. He is brother of Executive Director Dr. Rahul Mirchandani and is Brother-in-Law of Director Mrs. Nitya Mirchandani.

B. DR. RAHUL MIRCHANDANI

1) **Background details:**

Dr. Rahul Mirchandani has been in continuous employment of the Company since 2nd February, 1994. He was re-appointed as Executive Director of the Company for a period of 3 years from 01/10/2012 to 30/09/2015 by the members of the Company at their 42nd Annual General Meeting (AGM) held on 28th September, 2012. Further details of Dr. Rahul Mirchandani have been given in the Annexure to this Notice.

2) **Past remuneration:**

As per the approval granted by the members of the Company at their 42nd AGM held on 28th September, 2012, Dr. Rahul Mirchandani was entitled to overall remuneration of not exceeding 5% of the Net Profits of the Company in any financial year. Within the said overall remuneration Dr. Rahul Mirchandani was entitled to a remuneration of Rs. 3,80,000/- p.m. including perquisites as per schedule XIII of the Companies Act, 1956. Dr. Rahul Mirchandani was also entitled for Commission within the overall remuneration as prescribed under Section 196, and 197 read with Schedule V of the Companies Act, 2013.

3) **Recognition and Awards:**

Dr. Rahul Mirchandani has a rich and extensive experience of management and his vision and commitment has enabled the Company steer through the most difficult times the Company has faced.

4) **Job Profile and his suitability:**

As Executive Director, he oversees various functions of the Company namely Marketing, Human Resources, Strategy and Quality Control etc. He has a rich and varied background and imparts solutions to problems, foresight and vision in Marketing and Execution. This insight experience has largely contributed to the Company's progress in present competitive environment.

5) **Remuneration proposed :**

As stated in the Resolution under item No. 6

OVERALL REMUNERATION

Subject to the provisions of Section 196, 197, Schedule V and other provisions of the Companies Act, 2013, the remuneration payable to Dr. Rahul Mirchandani, in any financial year shall not exceed 5%(Five percent) of the net profits of the Company.

MINIMUM REMUNERATION

Where in any financial year during the currency of the tenure of Dr. Rahul Mirchandani, the Company has no profits or its profits are inadequate, the remuneration payable to Dr. Rahul Mirchandani, will be according to the applicable provisions of Schedule V of the Act. Within the aforesaid ceiling, the remuneration payable to Dr. Rahul Mirchandani, Executive Director, shall be as follows :-

SALARY, PERQUISITES AND ALLOWANCES

Not Exceeding Rs. 5,00,000/- pm inclusive of all perquisites and allowances (as stated below) except those specifically excluded as per Schedule V of the Act.

COMMISSION:

As decided by the Board of Directors at the time of adoption of accounts, but not exceeding the ceiling in respect of overall remuneration as prescribed under Section 197 of the Companies Act, 2013.

Other Terms and Conditions:

PERQUISITES :

- A. Rent Free furnished accommodation or House Rent Allowance not exceeding Rs. 40,000/- per month along with benefits of gas, fuel, water, electricity and telephone/fax as also upkeep and maintenance of the residential accommodation the value of such accommodation and its upkeep and maintenance being evaluated in accordance with the provisions of the Income Tax Rules. Personal long distance calls will be billed to Dr. Rahul Mirchandani.
- B. Conveyance : Company car with chauffeur or alternatively Company to maintain Dr. Rahul Mirchandani's personal car and provide him with a chauffeur; monetary value for private use to be evaluated in accordance with the Income Tax Rules.
- C. Medical Benefits : Reimbursement of medical expenses for himself and his family actually incurred during the continuance of his employment as per Rules of the Company upto a limit of one months salary in a year or three months salary over a period of three years.
- D. Communication Allowance/Expenses: Dr. Rahul Mirchandani will be entitled for communication allowance/reimbursement as per rules of the Company.
- E. Leave : 30 working days leave (traveling time included) once in every year of service, with encashment of unavailed leave at the end of the tenure.
- F. Leave Travel Assistance : Leave travel concession for self and family, once every year or as per Rules

of the Company upto a limit of one months salary in a year.

- G.** Other Perquisites e.g. Personal Accident Insurance for himself and for his family and Club Fees (Subject to a maximum of two clubs. No admission or life membership fee will be paid) and any others, upto a maximum of Rs. 30,000/- p.m.
- H.** Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961; gratuity payable at a rate not exceeding half a month salary for each completed year of service and encashment of unavailed leave at the end of tenure shall not be included in the computation of the ceiling on remuneration in terms of Schedule V of the Companies Act, 2013.

SITTING FEES

Dr. Rahul Mirchandani will not be entitled to Sitting Fees for meetings of the Board / Committee of the Board attended by him."

COMPENSATION

If any time the office of the Executive Director is determined before the expiry of his terms of office, the Executive Director shall be entitled to compensation for loss of office in accordance with and subject to the restrictions laid down in Section 191 and 202 of the Companies Act 2013 and rules framed thereunder.

- 6) Comparative Remuneration profile :** In this Industry there are Large Corporate House, where the remuneration is substantially higher in line with their turnover and profits. The Company could be classified as a Medium Sized Fertilizer Company and considering its size in terms of turnover and profits, the proposed remuneration could be considered to be reasonable. The proposed remuneration being minimum payable as per Schedule V of the Companies Act, 2013, which is in comparison with prevailing remuneration payable to the managerial person in Industry.
- 7) Pecuniary relationship with Company or managerial personnel :** Dr. Rahul Mirchandani is the promoter of the Company and is the son of founder promoter Late Dr. T.B. Mirchandani and Mrs. Bala Mirchandani. He is brother of Chairman & Managing Director Dr. Jimmy Mirchandani and is the husband of Director Mrs. Nitya Mirchandani.

III OTHER INFORMATION

(1) Reasons of loss or inadequate profits:

The Company has been earning adequate profit since last few years. It has undertaken major expansion and diversification programme in line with the objects enlisted at the time of IPO. This entail interest cost and provision for higher depreciation on the assets. The profitability of the Company has been stable year by year but may be inadequate for making payment of the revised remuneration (which is in consonance with the corporate practice) to all the working Directors as the total Managerial Remuneration should not exceed 10% of the Net Profit as computed under the Companies Act, 2013. The profits may be inadequate due to the seasonal nature of business and the dependence of Indian Agriculture

on rains. This additional information is being given as an abundant caution to meet contingency of having inadequate profit in any Financial Year during the tenure of working Directors.

The policy of the Company to maintain the space with the innovative technology and this has resulted an increasing trend in the profitability in the long run.

(2) Steps taken or proposed to be taken for improvement:

The Company runs successfully several process controlled manufacturing facilities at Chhatral, Hyderabad and Mumbai. This keeps the batch costs and consumption in control and restricts sudden changes in manufacturing costs. The Company also has begun a stringent cost budgeting exercise wherein every Department, Regional and State Heads have been assigned cost budget in addition to sales and collection targets. The Company has also discontinued low profit product lines to keep profits at desired levels.

(3) Expected increase in productivity and profits in measurable terms

Based on the strategy, the Company expects to achieve improvement in the level of Turnover by 10% as reported in the Financial Year 2014-15. The increase in Turnover will result in the better utilization of Plant's capacity leading to improved profitability. The Company is also in the process of implementing cost reduction drives. This will enable the Company to achieve better performance in the years ahead.

IV DISCLOSURES

1) The shareholders of the Company shall be informed of the remuneration package of the managerial persons.

The details of remuneration have been provided elsewhere in this statement.

2) The following disclosures shall be mentioned in the Board of Director's Report under the heading "Corporate Governance", if any, attached to the Annual Report.

The Company undertakes to disclose the following details in the relevant Report of the Board of Directors of the Company.

- (i) All elements of remuneration package of all the Directors
- (ii) Details of fixed component and performance linked incentives along with the performance criteria.
- (iii) Service contracts, notice period, etc.
- (iv) Stock option details, if any

The draft Agreements containing terms and conditions inclusive of the remuneration of Dr. Jimmy Mirchandani and Dr. Rahul Mirchandani are available at the Registered Office of the Company for the inspection of the members.

None of the Directors, Key Managerial Personnel and their relatives except Dr. Jimmy Mirchandani, Chairman & Managing Director, Dr. Rahul Mirchandani, Executive Director and Mrs. Nitya Mirchandani, Director are concerned or interested in the said resolution.

The above may be treated as an abstract of the terms of contract under Section 190(1) of the Companies Act, 2013.

The Board of Directors of your Company recommends the resolution for approval under Item No. 5 & 6.

Item No. 7**Ratification of the Remuneration of the Cost Auditor in terms of Section 148 of the Companies Act, 2013 read with Companies(Audit and Auditors) Rules, 2014**

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors to conduct the audit of the Cost Records of the Company for the financial year ending March 31, 2016 for a remuneration of Rs. 2,10,000/- (Rupees Two Lakh Ten Thousands Only) p.a. plus Service Tax and reimbursement of Out of Pocket Expenses at actual.

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

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 7 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2016.

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

The Board commends the Ordinary Resolution set out at Item No. 7 of the Notice for approval by the shareholders.

By Order of the Board

Kaiser P. Ansari
Company Secretary
Membership No. ACS-8979

Place: Mumbai
Date: 11th August, 2015

DIRECTORS' REPORT

To
The Members,
Aries Agro Limited

Your Directors have pleasure in presenting their 45th Annual Report on the operations of the Company together with the Audited Financial Statements for the Financial Year ended 31st March, 2015.

FINANCIAL RESULTS

(Rs. In Lacs)

PARTICULARS	STANDALONE		CONSOLIDATED	
	AS AT 31.03.2015	AS AT 31.03.2014	AS AT 31.03.2015	AS AT 31.03.2014
Total Revenue	23,563.47	23,512.73	30,609.31	29,969.06
Profit Before Tax, Interest & Depreciation	3,820.50	4,264.70	5,646.98	5,928.91
Less: Interest	2,129.65	2,276.76	2,413.04	2,527.16
Depreciation	181.72	146.97	985.48	869.41
	2,311.37	2,423.73	3,398.52	3,396.57
Profit Before Tax	1,509.13	1,840.97	2,248.46	2,532.34
Tax Expense	555.50	657.75	555.50	657.75
Deferred Tax	(260.70)	(2.46)	(260.70)	(2.46)
	294.80	655.28	294.80	655.29
Profit for the year before Minority Interest	1,214.33	1,185.68	1,953.66	1,877.05
Minority Interest	-	-	234.46	252.52
Profit for the year (PAT)	1,214.33	1,185.68	1,719.20	1,624.53
Exceptional Items	33.04	32.65	33.04	32.70
Balance Brought Forward	6,249.42	5,500.68	9,197.81	7,870.82
Amount available for appropriation	7,430.71	6,653.71	10,883.97	9,462.65
WDV of Assets W/off having zero remaining useful life due to change in method of Depreciation in line with Companies Act, 2013	684.55	-	684.55	-
General Reserve	100.00	100.00	100.00	100.00
Legal Reserves	-	-	35.59	-
Proposed Dividend	260.09	260.08	260.09	260.08
Tax on Proposed Dividend	53.25	44.20	53.25	44.20
Surplus Carried Forward to Balance Sheet	6,332.82	6,249.43	9,750.49	9,058.37

OPERATIONS-STAND ALONE

During the year under review, the earnings before Interest, Depreciation and Tax was Rs. 3,820.50 Lacs compared to Rs. 4,264.70 Lacs in the previous year. The Total Revenue for the year net of excise duty was Rs. 23,411.19 Lacs as against Rs. 23,286.50 Lacs in the previous year.. Profit after tax for the year was Rs. 1,214.33 Lacs compared to Rs. 1,185.68 Lacs in the previous year.

The Company is a major manufacturer and supplier of Chelated micronutrients, value added secondary nutrient fertilizers and also water soluble NPK fertilizers. In total, Aries has 64 brands. For detailed discussion please refer to the Management Discussion and Analysis Report forming part of this report.

CONSOLIDATED FINANCIAL STATEMENT

In accordance with the Accounting Standards (AS) -21 on Consolidated Financial Statements, the Audited Consolidated Financial Statement is provided in the Annual Report.

The Consolidated Profit Before Interest, Depreciation, Exceptional Items and Taxes (EBITDA) of the Group was Rs. 5,646.98 Lacs in the Financial Year 2014-15.. Consequently, the Consolidated Profit Before Exceptional Items and Taxes (PBT) was Rs. 2,248.46 Lacs in the Financial Year 2014-15 compared to Rs. 2,532.34 Lacs in the Previous Year.

DIVIDEND

After considering earnings, requirement for funds and with the objective of rewarding the shareholders, the Directors have recommended a Dividend of 20 % being Rs. 2/- per Equity Share of Rs. 10/- each (Previous Year 20% being Rs. 2/- per Equity Share of Rs. 10/- each) subject to your approval at the ensuing Annual General Meeting. The Dividend, if approved, will result in an outflow of Rs. 313.34 Lacs including Dividend Distribution Tax.

TRANSFER TO RESERVES

Your Directors propose to transfer Rs. 100.00 Lacs to the General Reserve out of the current year's profit and the Balance aggregating

to Rs. 6,332.82 Lacs is proposed to be retained in the Profit & Loss Account.

CREDIT RATING

The Company's financial discipline is reflected in the credit ratings ascribed by rating Agency as given below:

CRISIL Rating: Long Term BBB+ and Short Term A2.

FUTURE PROSPECTS:

During the previous financial year the Company consolidated its product range by phasing out brands which were showing marginal growth or brands which have substitutes within the existing Aries range of products. After this consolidation, the Company refrained from launching any new brands during 2014-15. Despite this, sales did not reduce and the consolidation has resulted in better efficiency which is expected to continue in 2015-16. The Company has also started a unique process of creating an offseason order book which projects specific requirements of finished goods based on which the inventory management system in various factories is being further strengthened. The company is also increasing its focus on institutional sales within India and business is expected to commence with a few retail channels to add to the distribution network. In addition, a range of projects focused on aquaculture which is not a seasonal business has commenced using existing Aries brand. Plantation irrigation districts, perennial crops and river basins are also a core part of the Company's future strategy to reduce to some extent, its rain dependence. Three new brands are being launched during the current Financial Year to fill gaps in the product mix. All of the above initiatives are expected to positively play out in terms of revenue growth during 2015-16.

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

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

SAFETY AND HEALTH

The health and safety of the employees across its operations remains the highest priority for the Group. All endeavours are being taken to enhance safety standards and processes towards minimising safety risks in all operations in the Company.

USE OF IPO PROCEEDS

Your Company made its maiden IPO in January 2008 for the purposes as stated in the Prospectus dated 26th December, 2007 and as amended by the members at their Annual General Meeting held on 29th September, 2009. Accordingly the Company has utilized the IPO funds for the purposes for which it was raised.

PUBLIC DEPOSITS

The Company has not accepted any deposits from the Public within the meaning of Section 73 of the Companies Act, 2013 as such, no amount on account of Principal or Interest on Deposits from Public was outstanding as on 31st March, 2015.

SUBSIDIARIES & ASSOCIATE COMPANIES

Your Company has five subsidiaries viz Aries Agro Care Private Limited, Aries Agro Equipments Private Limited, Aries Agro Produce Private Limited, Golden Harvest Middle East FZC and a Step Down Subsidiary viz Amarak Chemicals FZC.

The operations of Aries Agro Care Pvt. Ltd. commenced in the Financial Year 2008-09 but discontinued the activity in the financial

year 2012-13 and had no business activity in the financial year 2014-15. The Company incurred losses to the tune of Rs. 0.23 Lacs amongst others on account of Legal and Professional charges.

The business operations of Aries Agro Equipments Pvt. Ltd. commenced in the year 2009-10 in agricultural sprayers but discontinued the activity in the financial year 2013-14. During the Financial Year 2014-15 the Company did not have any Income and incurred a loss of Rs. 0.31 Lacs.

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

There was no business activity in other Subsidiary namely Aries Agro Produce Pvt. Ltd. During the Financial Year 2014-15 the Company has incurred a loss of Rs. 0.20 Lacs

As regards the overseas subsidiary M/S. Golden Harvest Middle East FZC with an installed capacity of 10,800 MT p.a., in their Seventh Year of operation, has generated a total sale of AED **229.88** Lacs(INR 3,830.78 Lacs) with a profit of AED 19.68 Lacs(INR 328.00 Lacs) for the year 2014-15.

M/s. Amarak Chemicals FZC, which is a Step Down Subsidiary of Aries Agro Limited with an installed capacity of 60,000 MT p.a., in their Fourth Full Year of operation, has generated a total sale of AED **280.68** Lacs(INR 4,677.25 Lacs) with a profit of AED 20.92 Lacs(INR 348.59 Lacs) for the year 2014-15.

Your Company has four Associate Companies viz Aries East-West Nutrients Private Limited, Aries Marketing Limited, Blossoms International Limited and Sreeni Agro Chemicals Limited. There were no business activities in any of these Companies during the Financial Year 2014-15.

As required under Section 129(3) of The Companies Act, 2013, annexed hereto are the Audited Financial Statements for the Year ended 31st March, 2015 of Golden Harvest Middle East FZC., Amarak Chemicals FZC., Aries Agro Care Private Limited, Aries Agro Equipments Private Limited and Aries Agro Produce Private Limited.

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

Apart from the above statement a list of Subsidiary & Associates Companies is given in Note No. 27-A of the Notes to Accounts is forming part of the Annual Report.

Pursuant to the provisions of Section 136 of the Act, the Financial Statements of the Company, Consolidated Financial Statements along with relevant documents and separate Audited Accounts in respect of Subsidiaries are available on the web-site of the Company.

All the above Indian Subsidiary & Associate Companies are unlisted and non-material Companies as defined under Clause 49 of the Listing Agreement with the Stock Exchanges.

INSURANCE

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

DIRECTORS & KEY MANAGERIAL PERSONNEL

DIRECTORS

As per the provisions of Section 152(6) of the Companies Act, 2013, 2/3rd of Non-Independent Directors will be liable to retire by rotation and out of which 1/3rd will retire by rotation this year. Accordingly Dr. Rahul Mirchandani and Mrs. Nitya Mirchandani are liable to retire by

rotation and Dr. Jimmy Mirchandani, being Chairman and Managing Director will not retire by rotation.

Accordingly, it is proposed to appoint Mrs. Nitya Mirchandani, Director retiring by rotation and being eligible, offers herself for re-appointment. Accordingly, her re-appointment forms part of the Notice of ensuing Annual General Meeting.

Pursuant to the provisions of Section 149 of the Companies Act, 2013, which came into effect from 1st April, 2014, Prof R. S. S. Mani, Mr. C. B. Chhaya and Mr. B. V. Dholakia's terms were extended and they were appointed for a term of five consecutive years in the Forty Fourth Annual General Meeting of the Company held on 26th September, 2014, and are not liable to retire by rotation. The terms and conditions of appointment of Independent Directors are as per Schedule IV of the Companies Act, 2013. They have submitted a declaration that each of them meets the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchanges and there has been no change in the circumstances which may affect their status as Independent Director during the year.

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

Familiarisation Programme for Independent Directors----In order to familiarize the Independent Directors with the business of the Company presentation was made by the Chief Financial Officer covering nature and scope of business, nature of industry in which Company operates, profitability and future plans. Regularly at meetings updates are given to the Board. House journal as and when published is also sent to all the directors and their feedback are considered.

KEY MANAGERIAL PERSONNEL

The term of the appointment of Dr. Jimmy Mirchandani and Dr. Rahul Mirchandani as the Chairman & Managing Director and Executive Director, respectively, expires on 30th September, 2015. The Board of Directors at its Meeting held on 11th August, 2015 have re-appointed them as Chairman & Managing Director and Executive Director, respectively for a further period of 3(three) years from 1st October, 2015, subject to the approval of the Members at the ensuing Annual General Meeting. The Directors recommend their re-appointment. Accordingly their re-appointment forms part of the Notice of ensuing AGM.

Pursuant to the provisions of Section 203 of the Companies Act, 2013, which came into effect from 1st April, 2014, the appointments of Mr. S. Ramamurthy, Chief Financial Officer and Mr. Qaiser P. Ansari, Company Secretary as Key Managerial Personnel of the Company were formalized.

MEETINGS OF BOARD

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

BOARD EVALUATION

The Board of Directors have carried out an Annual Evaluation of its own performance and individual Directors pursuant to provisions of the Act and Corporate Governance requirements as prescribed by clause 49 of the Listing Agreement.

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

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

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

The Company's Policy on Directors appointment and remuneration and other matters provided in Section 178(3) of the Companies Act, 2013 has been disclosed in the Corporate Governance Report, which forms part of the Board's Report.

DIRECTORS' RESPONSIBILITY STATEMENTS

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

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

Based on the framework of Internal Financial Controls and Compliance Systems established and maintained by the Company, work performed by the Internal, Statutory and Secretarial Auditors and review performed by the Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's Internal Financial Controls were adequate and effective during the Financial Year 2014-15.

PARTICULARS OF EMPLOYEES & RELATED DISCLOSURES

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

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

Non-Executive Directors	Ratio to median Remunerations
Mrs. Nitya Mirchandani	0.34:1
Prof R. S. S. Mani	0.57:1
Mr. Chakradhar Bharat Chhaya	0.59:1
Mr. Bhumitra Vinodchandra Dholakia	0.63:1

Executive Directors	
Dr. Jimmy Mirchandani	34:1
Dr. Rahul Mirchandani	36:1

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

Directors, Chief Financial Officer and Company Secretary	% increase in Remuneration in the Financial Year
Dr. Jimmy Mirchandani	-19.47%
Dr. Rahul Mirchandani	-15.75%
Mr. S. Ramamurthy, Chief Financial Officer	8.92%
Mr. Qaiser P. Ansari Company Secretary	8.12%

3. The percentage increase in the median remuneration of employees in the financial year; 5.66%
4. The number of permanent employees on the rolls of Company; 753
5. The explanation on the relationship between average increase in remuneration and Company performance;

The reward Philosophy of the Company is to provide market competitive total reward opportunity that has a strong linkage to and drives performance culture. Every year, the salary increases for the Company are decided on individual performance parameters. The final salary increases given are a function of Company's market competitiveness in this comparator group as well as overall business affordability. During the year, similar approach was followed to establish the remuneration increases to the Employees. Variable compensation is an integral part of our total reward package and is directly linked to an individual performance rating and business performance. Salary increase during the year were in line with Company's performance as well as per Company's market competitiveness.

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

Aggregate Remuneration of Key Managerial Personnel(KMP) in Financial year 2014-15 (Rs. LaCS)	55.54
Revenue(Rs. LaCS)	23,411.19
Remuneration of KMPs(as % of Revenue)	0.24%
Profit Before Tax(PBT) (Rs. LaCS)	1,509.13
Remuneration of KMPs(as % of PBT)	3.68%

7. Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year;

Particulars	31 st March, 2015	31 st March, 2014	% Change
Market Capitalization (Rs. Crores)	13,745.59	7,425.48	85.11%
Price Earnings Ratio	11.32	6.26	80.75%

8. Percentage increase or decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public

offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year;

Particulars	31 st March, 2015	January, 2008(IPO)	% Change
Market Price(BSE)	105.70	130.00	-18.69
Market Price(NSE)	105.40	130.00	-18.92

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

The average annual increase was around 7.95%, after accounting for promotions and other event based compensation revision.

There were no increase in the Managerial Remuneration(Directors Remuneration) during the year.

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

	Dr. Jimmy Mirchandani, Chairman & Managing Director	Dr. Rahul Mirchandani, Executive Director	Mr. S. Ramamurthy, Chief Financial Officer	Mr. Qaiser P. Ansari, Company Secretary
Remuneration- FY-2014-15 (Rs. In Lacs)	81.20	84.68	33.62	21.92
Price Earnings Ratio	11.32			
Revenue (Rs. In Lacs)	23,411.19			
Remuneration as % of revenue	0.35%	0.36%	0.14%	0.09%
Profit Before Tax (PBT) (Rs in Lakhs)	1,509.13			
Remuneration as % of PBT	5.38%	5.61%	2.23%	1.45%

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

The Non-Executive Directors do not get any remuneration (including Commission) except the Sitting Fee. The Executive Directors are entitled for Commission within the overall limit of 10% and individually 5% as per the Act.

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

None

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

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

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

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

PARTICULARS OF EMPLOYEES IN TERMS OF SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) AND 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 DRAWING REMUNERATION NOT LESS THAN Rs. 60 Lakhs p.a./Rs. Five Lakhs p.m. DURING THE YEAR 2014-15												
SR. No.	NAME	DESIGNATION	REMUNERATION RECEIVED Rupees	NATURE OF EMPLOYMENT	OTHER TERMS & CONDITIONS	NATURE OF DUTY	QUALIFICATION & EXPERIENCE	DATE OF COMMENCEMENT	AGE	Last Employment held	% of Equity Shares held as on 31.03.2015	Whether Relative of any Director or Manager and Name of such Director or Manager
1	DR. JIMMY MIRCHANDANI	CHAIRMAN AND MANAGING DIRECTOR	81,20,000	CONTRACTUAL	N.A.	MANAGING THE AFFAIRS OF THE COMPANY	B. Sc. (Vet); LLB	15.01.1976	59	N.A.	27.11	Brother of Dr. Rahul Mirchandani & Brother in Law of Mrs. Nitya Mirchandani
2	DR. RAHUL MIRCHANDANI	EXECUTIVE DIRECTOR	84,67,604	CONTRACTUAL	N.A.	MANAGING THE AFFAIRS OF THE COMPANY	B. Com; CFA; MBA; Ph.D	02.02.1994	39	N.A.	20.17	Brother of Dr. Jimmy Mirchandani & Husband of Mrs. Nitya Mirchandani

ESOPS

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

RISK MANAGEMENT AND INTERNAL FINANCIAL CONTROLS

During the year, your Directors have constituted a Risk Management Committee which has been entrusted with the responsibility to assist the Board in (a) Overseeing and approving the Company's enterprise wide risk management framework; and (b) Overseeing that all the risks that the organization faces such as strategic, financial, credit, market, liquidity, security, property, IT, legal, regulatory, reputational and other risks have been identified and assessed and there is an adequate risk management infrastructure in place capable of addressing those risks.

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

The Company has introduced several improvements to Integrated Enterprise Risk Management, Internal Controls Management and Assurance Frameworks and processes to drive a common integrated view of risks, optimal risk mitigation responses and efficient management of internal control and assurance activities. This integration is enabled by all three being fully aligned across the Company wide Risk Management, Internal Control and Internal Audit methodologies and processes.

GREEN INITIATIVES

The Company has started transmitting Annual Report through electronic mode—email to the shareholders who preferred to receive Annual Report through electronic mode and initiated steps to reduce consumption of paper.

HUMAN RESOURCES

Humans are considered as one of the most critical resources in

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

LISTING

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

The Company has made all the compliances of Listing Agreement including payment of Annual Listing Fees upto 31st March, 2016 to both the Stock Exchanges.

CORPORATE GOVERNANCE

The Company has complied with the various requirements under the Corporate Governance reporting system. A detailed Compliance Report on Corporate Governance is annexed to this report. The Auditors' certificate on compliance with the conditions of Corporate Governance under clause 49 of the Listing Agreement is also annexed to this report.

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, is also annexed to this report.

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

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

I. Conservation of energy

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

- Energy Conservation measures taken:-

- i. Close monitoring of consumption of electricity, LPG, Diesel and water.
 - ii. Optimum use of Energy by Switching off Machines, Lights, Fans, Air Conditioners and Exhaust Systems whenever not required.
 - iii. Creating awareness among Workmen to conserve energy.
- b. Additional investments and proposals, if any, being implemented for reduction of consumption of energy;
- Solar system has been installed and commissioned for the manufacturing facility situated at Hyderabad. The unit has been operational since August 2014 and has generated 60,969 kws of power during the financial year 2014-15.
- c. Impact of measures of (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods:
- i. Due to measures taken as described above, the overall power and fuel oil consumption at plants and office has reduced. However the cost of production on account of power has increased due to increase in cost per unit.
- d. Total energy consumption and energy consumption per unit of production

Form –A

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

		Current Year 2014-2015	Previous Year 2013-2014
(a)	1. Purchased: -		
	I Electricity		
	(i) Unit (KWH)	861,366	951,602
	(ii) Total Amount (Rs.)	8,015,893	9,093,161
	(iii) Rate/Unit (Rs.)	9.31	9.56
	II Piped Gas		
	(i) Unit (M3)*	277,884	227,768.27
	(ii) Total Amount (Rs.)	11,923,491	9,990,042
	(iii) Rate/Unit (Rs.)	42.91	43.86
	*Gas Supply started from 22.12.2012 from Sabarmati Gas Limited		
(b)	2. Own Generation: -		
	(i) Coal	Not Applicable	Not Applicable
	(ii) Furnace Oil - KI	16,737	18,627
	(iii) Internal Generation – Units	59,658	79,367
	(iv) Solar	60,969	-

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

(A) RESEARCH AND DEVELOPMENT:

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

- There is a continuous focus on University research on specialty plant nutrition which continues across India.
- Our team of extension officers conducts continuous field demonstrations and extension work including large scale soil sampling, which provides constant updates on deficiency levels across all states in India.
- The Company's R&D at Mumbai is ISO 9001

certified and works on new product development and continuous quality checks. The manufacturing unit at Hyderabad has been equipped with a state of art laboratory to keep pace with the Company's expansion in that region.

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

- Improvement in productivity/quality and reduction in cost of production of Company's Plants and at Customer's end.
- Cost reduction, import substitution, safer environment and strategic resource management.
- Meeting the statutory requirements.

3. Future Plan of Action :

- Identifying customized formulations for new states where Aries is entering to sell their product range.
- Increase the nutrients range to include silicon based products.
- Identify more organic / natural source of plant nutrients and allied products.

4. Expenditure on R & D

Description	For the year ended 31 st March, 2015	For the year ended 31 st March, 2014
	(Rupees)	(Rupees)
(I) Capital	59,131	-
(II) Recurring	3,845,961	3,224,931
(III) TOTAL	3,905,092	3,224,931
(IV) Total R & D expenditure as a % of		
a. Gross Turnover	0.16	0.14
b. Net Turnover	0.17	0.14

B1. Technology Absorption, Adaptation and Innovation

The Management has focused on productivity and Total Quality Management [TQM] in order to optimize manufacturing costs.

B2. Benefits

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

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

C. Foreign Exchange Earnings and Outgo

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

International sales have commenced in Brazil, Taiwan, Vietnam, Sri Lanka, Pakistan, Australia, Ecuador, New Zealand, Singapore, UK, Trinidad and Zambia, with supplies from Indian and UAE factories. Distributors are being appointed in Brazil, Vietnam, Cambodia, Sri Lanka, New Zealand and Ecuador and we expect export and global sales to grow and form 35% of the group revenues of the Company by Financial Year 2014-15

2. Total Foreign Exchange used and earned:

Used : Rs. 30,98,00,769/-

Earned: Rs. 1,36,12,149/-

3. Initiative for Exports

Our overseas manufacturing units (Subsidiaries) have started supplying Plant Nutrients & Secondary Nutrient to Australia, New Zealand, Kenya, Singapore, Taiwan, Sri Lanka, Pakistan, Brazil, Vietnam, Ecuador, Trinidad, Zambia, Cambodia, and United Kingdom. International sales accounted for 23 % of total group consolidated revenue and we believe that in the next 2 years exports and global sales is expected to remain at similar level.

SPECIAL BUSINESS

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

DISCLOSURES

CSR Committee

The CSR Committee comprises Dr. Jimmy Mirchandani (Chairman), Dr. Rahul Mirchandani and Shri. B. V. Dholakia as other Members.

Audit Committee

The Audit Committee comprises Prof. R. S. S. Mani (Independent Director as Chairman), Shri. B. V. Dholakia (Independent Director) and Dr. Rahul Mirchandani as Members.

All the recommendations made by the Audit Committee were accepted by the Board.

Vigil Mechanism

The Vigil Mechanism of the Company, which also incorporates a Whistle Blower Policy in terms of the Listing Agreement is in place. Protected disclosures can be made by a Whistle Blower in writing or through an e-mail, to the Chairman of the Audit Committee.

The Policy on Vigil Mechanism and Whistle Blower Policy may be accessed on the Company's website.

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

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

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

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

CORPORATE SOCIAL RESPONSIBILITY

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

Responsibility Policy) Rules, 2014. The Policy is available on the Web-Site of the Company.

Your Company continues to demonstrate a strong commitment towards providing products which do not hamper the soil and crop eco systems. A detailed Report on Corporate Social Responsibility is annexed to this Report.

EXTRACTS OF ANNUAL RETURN

As provided under Section 92(3) of the Companies Act, 2013 the Extract of the Annual Return is given in **Annexure-III** in prescribed Format MGT-9, which forms part of this Report.

AUDITORS & AUDITORS REPORTS

Statutory Auditors

M/s. Kirti D. Shah & Associates, Chartered Accountants, Mumbai, (Membership No. 32371 and having Peer Review Certificate issued by the Institute of Chartered Accountants of India), were appointed as the Statutory Auditors of the Company for a period of 3(three) years at the Forty Fourth Annual General Meeting of the Company held on 26th September, 2014.

As per the provision of Section 139(1) of the Act, their appointment for the above tenure is subject to ratification by Members at every AGM. Accordingly, ratification of the Members is being sought for proposal contained in the Resolution set out at item No. 4 of the Notice.

The Statutory Auditors' Report does not contain any qualification, reservation or adverse remark.

Cost Auditors

The Company had appointed M/s. R. Nanabhoy & Co., Cost Accountants, to conduct the Audit of Cost Accounting Records of its products for the financial year 2013-2014.

The due date for filing the Cost Audit Reports in XBRL mode for the financial year ended March 31, 2014 was 30th September, 2014 and the Cost Audit Reports were filed by the Cost Auditor on 27th September, 2014.

Further M/s. R. Nanabhoy & Co., Cost Auditors were re-appointed as the Cost Auditor of the Company for the year ending 31st March, 2015 by the Board of Directors at their meeting held on 30th May, 2014 after ensuring their eligibility and obtaining the letter of eligibility from them.

The Company's Cost Audit for the Financial Year 2014-15 is under process and the Company will file the Cost Audit Report within 6 months of the end of the Financial Year-2014-15 i.e. on or before 30th September, 2015.

Secretarial Auditors

The Board has appointed Mr. A. Sekar, Practising Company Secretary, to conduct Secretarial Audit for the financial year 2014-15. The Secretarial Audit Report for the financial year ended March 31, 2015 is annexed herewith marked as **Annexure-IV** to this Report.

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

VAT AUDITORS

As required under the VAT Acts of various States, Company has appointed a VAT Auditor to conduct the VAT Audit.

GENERAL DISCLOSURES

Your Directors state that no disclosure or reporting is required in

respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of Equity Shares with differential rights as to dividend, voting or otherwise.
3. Issue of Shares (including Sweat Equity Shares) to employees of the Company under any scheme.
4. The Company has not resorted to any Buy Back of its shares during the year under review.
5. Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
6. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
7. The Company is not required to submit Business Responsibility Report in pursuance of clause 55 of the Listing Agreement.

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

The Company has set up an Internal Complaints Committee (ICC) for providing a Redressal Mechanism pertaining to Sexual Harassment of Women employees at workplace. There was no complaint received during the year under review.

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

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

ACKNOWLEDGEMENT

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

Place: Mumbai
Date: 11th August, 2015

Dr. Jimmy Mirchandani
Chairman & Managing Director
DIN-00239021

Form No. AOC-2

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

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

1. **Details of Contracts or Arrangements or Transactions not at arm's length basis:** Aries Agro Limited has not entered into any Contract or Arrangement with its Related Parties which is not at arm's length during the Financial Year 2014-15.

2. **Details of Contracts or Arrangements or Transactions at arm's length basis:**

Sr. No.			
1.	Name(s) of the Relate Party and nature of Relationship	Golden Harvest Middle East FZC	Amarak Chemicals FZC
2.	Nature of Contracts/Arrangements/ Transactions	Order based Contracts	Order based Contracts
3.	Duration of Contracts/Arrangements/ Transactions	Order based Contracts	Order based Contracts
4.	Salient terms of Contracts/ Arrangements/Transactions including Value, if any	As per the Orders from time to time	As per the Orders from time to time
5.	Date of Approval by the Board , if any	Not Applicable, since the Contract was entered into in the ordinary course of business and on arm's length basis	Not Applicable, since the Contract was entered into in the ordinary course of business and on arm's length basis
6.	Amount Paid as advances, if any	Rs. 364.68 Lacs	Rs. 303.24 Lacs

For and on behalf of the Board,

Dr. Jimmy Mirchandani
Chairman & Managing Director
DIN-00239021

Place: Mumbai
Date: 11th August, 2015

Annual Report on CSR Activities

Particulars	Details																		
1. A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs.	<p>Our policy on Corporate Social Responsibility of Company is broadly framed taking into account the following measures: -</p> <p>a) Welfare measures for the community at large including employees and their families, so as to ensure the disadvantaged sections of the Society derived the maximum benefits.</p> <p>b) Contribution to the society at large by way of social and cultural development, imparting education, training and social awareness especially with regard to the farming sector for their development and generation of income.</p> <p>c) Protection and safeguarding of the environment and maintaining ecological balance through a range of ecologically sustainable and cost effective products.</p> <p>Chairman & Managing Director/Executive Director of the Company shall exercise their delegated powers for according approval for the project within the ceiling limit of said 100% budget. CSR should be broadly executed by Company in the areas in which its operating units are located.</p> <p>The CSR Policy is hosted at www.ariesagro.com in the Investor Relations Section.</p>																		
2. The Composition of the CSR Committee. ---	<p>Dr. Jimmy Mirchandani</p> <p>Dr. Rahul Mirchandani</p> <p>Shri Bhumitra V. Dholakia</p>																		
3. Average Net Profit of the Company for last three Financial Years	Rs. 16,96,72,737/-																		
4. Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above)	Rs. 33,93,455/-																		
5. Details of CSR spent during the Financial Year.																			
(a) Total amount to be spent for the Financial Year;	Rs. 33,93,455/-																		
(b) Amount unspent , if any;	NIL																		
(c) Manner in which the amount spent during the Financial Year.	<table> <tr> <td>Flood/Drought Relief</td><td>1,46,309</td></tr> <tr> <td>Distribution of Books</td><td>66,001</td></tr> <tr> <td>Soil Sampling/Testing</td><td>56,830</td></tr> <tr> <td>Old Age Home</td><td>10,000</td></tr> <tr> <td>Scholarships</td><td>1,41,809</td></tr> <tr> <td>Farmers Call Centre</td><td>2,88,975</td></tr> <tr> <td>Farmers Education</td><td>24,49,763</td></tr> <tr> <td>Swach Bharat</td><td>2,75,000</td></tr> <tr> <td>TOTAL</td><td>34,34,687</td></tr> </table>	Flood/Drought Relief	1,46,309	Distribution of Books	66,001	Soil Sampling/Testing	56,830	Old Age Home	10,000	Scholarships	1,41,809	Farmers Call Centre	2,88,975	Farmers Education	24,49,763	Swach Bharat	2,75,000	TOTAL	34,34,687
Flood/Drought Relief	1,46,309																		
Distribution of Books	66,001																		
Soil Sampling/Testing	56,830																		
Old Age Home	10,000																		
Scholarships	1,41,809																		
Farmers Call Centre	2,88,975																		
Farmers Education	24,49,763																		
Swach Bharat	2,75,000																		
TOTAL	34,34,687																		

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

For and on behalf of the Board,

Place: Mumbai
Date: 11th August, 2015

Dr. Jimmy Mirchandani
Chairman & Managing Director
DIN-00239021

Dr. Rahul Mirchandani
Executive Director
DIN-00239057

B. V. Dholakia
Director
DIN-01871816

FORM NO. MGT – 9
EXTRACT OF ANNUAL RETURN
As on the financial year ended 31.03.2015

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

I. REGISTRATION AND OTHER DETAILS

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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No	Name and Description of main products / Services	NIC Code of the Product/ Service	% to total turnover of the Company
1	Micro Nutrient Fertilizer - Manufactured	24129	53.73
2	Micro Nutrient Fertilizer - Traded	52397	12.47

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name of the Company	Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	%tage of Shares held	Applicable Section
1.	Golden Harvest Middle East FZC	Plot P3-04, Post Box No. 9267, Sharjah Airport International Free Zone(SAIF), Sharjah, UAE	N.A.	Subsidiary	75	2(87)(ii)
2.	Amarak Chemicals FZC	Al Hayl Industrial Area, P. O. Box 5283, Fujairah Free Zone(FFZ), Fujairah, UAE	N.A.	Step Down Subsidiary	75(Held by Golden Harvest Middle East FZC)	2(87)(ii)
3.	Aries Agro Care Private Limited	Aries House, Plot No. 24, Deonar, Govandi(E), Mumbai-400 043	U01122MH2007PTC166761	Subsidiary	100	2(87)(ii)
4.	Aries Agro Equipments Private Limited	Aries House, Plot No. 24, Deonar, Govandi(E), Mumbai-400 043	U01403MH2007PTC166972	Subsidiary	100	2(87)(ii)
5.	Aries Agro Produce Private Limited	Aries House, Plot No. 24, Deonar, Govandi(E), Mumbai-400 043	U01403MH2008PTC183789	Subsidiary	75	2(87)(ii)
6.	Aries East West Nutrients Private Limited	Aries House, Plot No. 24, Deonar, Govandi(E), Mumbai-400 043	U01229MH1983PTC030401	Associate	NIL	2(6)

Sr. No.	Name of the Company	Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	%age of Shares held	Applicable Section
7.	Aries Marketing Limited	Aries House, Plot No. 24, Deonar, Govandi(E), Mumbai-400 043	U51900MH1978PTC020254	Associate	NIL	2(6)
8.	Blossoms International Limited	Aries House, Plot No. 24, Deonar, Govandi(E), Mumbai-400 043	U01100MH1995PLC093586	Associate	NIL	2(6)
9.	Sreeni Agro Chemicals Limited	Aries House, Plot No. 24, Deonar, Govandi(E), Mumbai-400 043	U24210MH1985PLC035563	Associate	NIL	2(6)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category wise shareholding

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2014				No. of Shares held at the end of the year 31.03.2015				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.PROMOTERS									
(1) Indian									
a) Individual/HUF	6857926	0	6857926	52.74	6857926	0	6857926	52.74	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt (s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other....	0	0	0	0	0	0	0	0	0
Sub-total (A) (1):-	6857926	0	6857926	52.74	6857926	0	6857926	52.74	0
(2) Foreign	-	-	-	-	-	-	-	-	-
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other – Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other....	0	0	0	0	0	0	0	0	0
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	6857926	0	6857926	52.74	6857926	0	6857926	52.74	0
B. PUBLIC SHAREHOLDING									-
1. Institutions									-
a) Mutual Funds	1088944	0	1088944	8.37	0	0	0	0	0
b) Banks / FI	0	0	0	0	21478	0	21478	0.17	100
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	50000	0	50000	0.38	100
h) Foreign Venture Capital funds	0	0	0	0	0	0	0	0	0

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2014				No. of Shares held at the end of the year 31.03.2015				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	1088944	0	1088944	8.37	71478	0	71478	0.55	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	1181023	131500	1312523	10.09	1287123	131500	1418623	10.91	8.08
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual Shareholders holding nominal share capital upto ₹ 1 lakh	22897321	200466	2490197	19.15	2922721	190081	3112802	23.94	25.00
ii) Individual Shareholders holding nominal share capital in excess of ₹1 lakh	1112570	0	1112570	8.56	1258327	0	1258327	9.68	13.10
c) Others Directors and Relatives	0	0	0	0	0	0	0	0	0
i) Shares held by Pakistani citizens vested with the Custodian of Enemy Property	0	0	0	0	0	0	0	0	0
ii) Other Foreign Nationals	0	0	0	0	0	0	0	0	0
iii) Foreign Bodies	0	0	0	0	0	0	0	0	0
iv) NRI / OCBs	75179	0	75179	0.58	138583	0	138583	1.06	84.33
v) Clearing Members /Clearing House	67000	0	67000	0.51	146600	0	146600	1.12	118.81
vi) Trusts	0	0	0	0	0	0	0	0	0
vii) Limited Liability Partnership	0	0	0	0	0	0	0	0	0
viii) Foreign Portfolio Investor (Corporate)	0	0	0	0	0	0	0	0	0
ix) Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
Sub-Total (B)(2):	4725503	331966	5057469	38.89	5753354	321581	6074935	46.71	
Total Public Shareholding (B)=(B)(1)+(B)(2)	5814447	331966	6146413	47.26	5824832	321581	6146413	47.26	
C. SHARES HELD BY CUSTODIAN FOR GDRS & ADRS	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	12672373	331966	13004339	100.00	12682758	321581	13004339	100.00	-

(ii) Shareholding of Promoters

Shareholder's Name	No. of Shares held at the beginning of the year 01.04.2014			No. of Shares held at the end of the year 31.03.2015			% Change during the year
	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
Jimmy Mirchandani	3524830	27.11	0	3524830	27.11	0	0
Rahul Mirchandani	2623221	20.17	0	2623221	20.17	0	0
Akshay Mirchandani	361875	2.78	0	361875	2.78	0	0
Amol Mirchandani	335000	2.58	0	335000	2.58	0	0
Ashok Mirchandani	10000	0.08	0	10000	0.08	0	0
Nitya Mirchandani	3000	0.02	0	3000	0.02	0	0
Total	6857926	52.74	0	6857926	52.74	0	0

(iii) Change in Promoters' Shareholding

There is no change in Promoter's Shareholding between 01.04.2014 to 31.03.2015.

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

Sr. No	Shareholder's Name *	Shareholding at the beginning of the year 01.04.2014		Shareholding at the end of the year 31.03.2015	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	SBI MAGNUM COMMA FUND	1088944	8.37	0	0
2	ALACRITY SECURITIES LTD	275000	2.11	269611	2.07
3	DISAL INVESTMENTS PVT LTD	228858	1.76	0	0
4	PALKHI INV. & TRDG CO. PVT LTD.	125000	0.96	125000	0.96
5	AJAY UPADHYAYA	100000	0.77	50000	0.38
6	ZURICH SECURITIES PRIVATE LIMITED	87313	0.67	0	0
7	MANISHA KETAN DESAI	85000	0.65	0	0
8	NAVVAR FINLEASE PVT LTD	70136	0.53	70136	0.53
9	KUSHAL K SHAH	70000	0.53	8000	0.06
10	SHAILESH L SHAH	67000	0.51	58000	0.45
11	VIJAY KISHANLAL KEDIA	0	0	491248	3.78
12	SANKIRT HOLDINGS PVT LTD	0	0	228858	1.76
13	PROGRESSIVE SHARE BROKERS PRIVATE LIMITED	0	0	125500	0.96
14	KEDIA SECURITIES PVT LTD	0	0	95000	0.73
15	VAIBHAV RAO	0	0	62830	0.48
16	VASHDEV DINGOMAL VASSANANI	0	0	56200	0.43
	Total				

* The Shares of the Company are traded on a daily basis and hence the date wise increase/decrease in Share Holding is not indicated

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No	Shareholder's Name	Shareholding at the beginning of the year 01.04.2014		Cumulative Shareholding during the year		Date of change in shareholding	Reason for change
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company		
1.	Dr. Jimmy Mirchandani	3524830	27.11	3524830	27.11	NIL	N.A.
2.	Dr. Rahul Mirchandani	2623221	20.17	2623221	20.17	NIL	N.A.
3	Mrs. Nitya Mirchandani	3000	0.02	3000	0.02	NIL	N.A.
4	Prof. R. S. S. Mani	0	0	0	0	NIL	N.A.

Sr. No	Shareholder's Name	Shareholding at the beginning of the year 01.04.2014		Cumulative Shareholding during the year		Date of change in shareholding	Reason for change
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company		
5	Mr. C. B. Chhaya	0	0	0	0	NIL	N.A.
6	Mr. B. V. Dholakia	0	0	0	0	NIL	N.A.
7.	Mr. S. Ramamurthy	0	0	0	0	NIL	N.A.
8.	Mr. Qaiser P. Ansari	0	0	5	0	+5	Purchase

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

V. INDEBTEDNESS

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

(Rupees in Lacs)

Particulars	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial Year				
1. Principal Amount	10,293.62	1,600.46	-	11,894.08
2. Interest Due but not Paid	-	-	-	-
3. Interest accrued but not due	5.14	8.97	-	14.11
Total(1+2+3)	10,298.76	1,609.43	-	11,908.19
Change in Indebtedness during the Financial Year				
1. Addition	-	30.74	-	30.74
2. Reduction	1,238.23	-	-	1,238.23
Net Change	(1,238.23)	30.74	-	(1,207.49)
Indebtedness at the end of the Financial Year				
1. Principal Amount	9,058.51	1,631.71	-	10,690.22
2. Interest Due but not Paid	-	-	-	-
3. Interest accrued but not due	2.02	8.45	-	10.47
Total(1+2+3)	9,060.53	1,640.16	-	10,700.70

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr No.	Particulars of Remuneration	Dr. Jimmy Mirchandani, CMD (₹ In lacs p.a)	Dr. Rahul Mirchandani, ED (₹ In lacs p.a)	Total Amount (₹ In lacs p.a)
1	Gross Salary	28.80	34.80	63.60
	(a) Salary as per provisions contained in section 17 (1) of the Income Tax Act, 1961 Gross Salary			
	(b) Value of Perquisites u/sec 17 (2) Income Tax Act, 1961	2.40	1.52	3.92
	(c) Profits in lieu of salary under section 17 (3) of Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	32.00	32.00	64.00
	a. as a % of profit	1.89%	1.89%	3.77%
	b. Others, specify	-	-	-
5	Others, Please specify			
	a) HRA	10.80	3.48	14.28
	b) Medical	2.40	2.90	5.30
	c) LTA	2.40	2.90	5.30
	d) Leave Salary	2.40	2.90	5.30
	e) Contribution to PF	-	4.18	4.18
	Total (A)	81.20	84.68	165.88
	Ceiling as per the Act			169.58

B. Remuneration to other Directors:

Sr. No.	Particulars of Remuneration	Fee for attending Board/Committee Meetings (in lacs)	Commission) (in lacs)	Others, please specify (₹ in lacs)	Total Amount (₹ in lacs)
1.	Independent Directors				
	Prof. R. S. S. Mani	1.35	-	-	1.35
	Mr. C. B. Chhaya	1.40	-	-	1.40
	Mr. B. V. Dholakia	1.50	-	-	1.50
	Total (1)	4.25	-	-	4.25
2.	Other Non-Executive Directors				
	Mrs. Nitya Mirchandani(appointed w.e.f. 30.05.2014)	0.80	-	-	0.80
	Total (2)	0.80	-	-	0.80
	Total (B)=(1+2)	5.05	-	-	5.05
	Total Managerial Remuneration	Rs. 170.93 Lacs			

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

Sr. No.	Particulars of Remuneration	Name of Key Managerial Personnel		Total Amount (₹ in lacs)
		Chief Financial Officer	Company Secretary	
		Mr. S. Ramamurthy (₹ in lacs)	Mr. Qaiser P. Ansari (₹ in lacs)	
1	Gross Salary			
	(a) Salary as per provisions contained in section 17 (1) of the Income Tax Act, 1961	14.91	11.95	26.85
	(b) Value of Perquisites u/sec 17 (2) Income Tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17 (3) of Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	a. as a % of profit			
	b. others, specify			
5	Others, Please specify			
	a) HRA	4.47	3.58	8.06
	b) Conveyance	2.72	0.96	3.68
	c) Medical	0.34	0.23	0.57
	d) LTA	1.19	0.95	2.14
	e) Leave Salary	1.19	-	1.19
	f) Bonus	1.19	0.95	2.14
	g) Incentive	5.83	1.86	7.69
	h) Contribution to PF	1.79	1.43	3.22
	Total	33.63	21.91	55.54

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

There were no penalties, punishment or compounding of offences for breach of any Section of Companies Act against the Company or its Directors or other Officers in default, if any, during the year ended 31st March, 2015.

For and on behalf of the Board,

Place: Mumbai
Date: 11th August, 2015

Dr. Jimmy Mirchandani
Chairman & Managing Director
DIN-00239021

**SECRETARIAL AUDIT REPORT
FOR THE YEAR ENDED MARCH 31, 2015**

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

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representative during the conduct of Secretarial Audit, I hereby report that in my opinion the Company has during the year ended 31st March, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contract (Regulation) act, 1956 ("SCRA") and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 an the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") to the extent they are applicable to the company
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of InsiderTrading) Regulations, 1992
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and 2014
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) Other laws specifically applicable to the company namely :-
 - The Insecticides Act, 1968 and
 - The Fertilizer Control Order, 2011

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

- (i) Secretarial Standards Issued by The Institute of Company Secretaries of India
- (ii) The Listing Agreements entered into by the Company with BSE Limited and the National Stock Exchange of India Limited .

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

I further report that

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

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

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

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

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

PLACE : MUMBAI
DATE : 11th August, 2015

A SEKAR
COMPANY SECRETARY
ACS 8649 CP 2450

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

'Annexure A'

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

PLACE : MUMBAI
DATE : 11th August, 2015

A SEKAR
COMPANY SECRETARY
ACS 8649 CP 2450

REPORT ON CORPORATE GOVERNANCE

1. Corporate Governance Philosophy

The Company's Corporate Governance is concerned with holding the balance between Economic and Social goals and between Individual and Corporate goals. The Corporate Governance framework is to encourage the efficient use of resources and equally to require accountability for optimum and efficient utilization of Company's resources. The aim is to align as nearly as possible the interests of Stakeholders, Corporation and Society. In compliance with the disclosure requirements of Clause 49 of the Listing Agreement executed with the Stock Exchanges, the details are set out below:-

2. BOARD OF DIRECTORS

(A) Board Composition

The Board of Directors of the Company ('the Board') consists of 6 Directors, headed by an Executive Chairman and out of which Four (4) are Non Executive Directors of which Three(3) are Independent Directors and one is Woman Director. The Independent Directors are eminent professionals, with experience in, Management and Strategy, Human Resources, Banking, Corporate Laws etc. Composition of the Board and category of Directors are as follows:

Category	Name of the Directors
Promoter- Executive Directors	Dr. Jimmy Mirchandani Chairman & Managing Director
	Dr. Rahul Mirchandani Executive Director
Promoter- Non-Executive Directors	Mrs. Nitya Mirchandani
Independent- Non-Executive Directors	Prof. R.S.S. Mani
	Mr. Chakradhar Bharat Chhaya
	Mr. Bhumitra Vinodchandra Dholakia

(B) Attendance and Other Directorships

Attendance of Directors at Board Meetings, last Annual General Meeting and number of Directorships and Chairmanships/ Memberships of Committees of each Director in various Companies as on 31st March, 2015 is as follows:-

Name of the Director & Designation and category	Attendance of Meetings during 2014-15		Directorship in other Public Companies incorporated in India	No. of Membership(s)/ Chairmanship(s) of Board Committees in other Companies	Inter Se Relationship
	Board Meetings Attended(Total 4 (four) Held)	Last AGM held on 26 th September, 2014			
Dr. Jimmy Mirchandani Chairman & Managing Director (Promoter)(CMD)	2	Yes	2	NIL	Brother of ED and Brother in Law of NED
Dr. Rahul Mirchandani Executive Director (Promoter)(ED)	4	Yes	3	NIL	Brother of CMD and Husband of NED
Prof. R. S. S. Mani Director Non Executive (Independent)	4	Yes	NIL	NIL	N.A.
Mr. Chakradhar Bharat Chhaya Director Non Executive (Independent)	4	Yes	2	5 (including 4 as Chairman)	N.A.
Mr. Bhumitra Vinodchandra Dholakia Director Non Executive (Independent)	4	Yes	2	4 (including 2 as Chairman)	N.A.
Mrs. Nitya Mirchandani Director Non-Executive (Promoter)(NED)	4	Yes	NIL	NIL	Wife of ED

None of the Directors holds office in more than Seven Listed Companies as an Independent Director. None of the Whole Time Directors serve as an Independent Director in more than three Listed Companies. None of the Directors on the Board holds the office of Director in more than 15 Companies.

(C) Board Meetings

The Agenda and Background notes with supportings are circulated to the Directors well in advance of the Board Meetings and additional items, if any, are tabled in the course of the Board Meetings. During the year information as mentioned in Annexure 1A to Clause 49 of the Listing Agreement has been placed before the Board for its consideration. The minutes of all the Committees of the Directors are placed before the Board and noted by them.

Four Board Meetings were held during the year, on 30.05.2014, 13.08.2014, 14.11.2014 and 13.02.2015. The necessary quorum was present for all the Meetings.

The gap between two board meetings did not exceed four months.

During the year 2014-15, information as mentioned in Annexure X to Clause 49 of Listing Agreements has been placed at every Meeting before the Board for its consideration.

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

During the year a separate Meeting of the Independent Directors was held inter-alia to review the performance of Non-Independent Directors and the Board as a whole.

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

(D) Code of Conduct

The Company has adopted a Code of Conduct for the members of the Board and the Senior Executives in compliance with the provision of Clause 49 of the Listing Agreement. All the members of the Board and the Senior Management Personnel have affirmed compliance to the Code of Conduct as on 31-03-2015, and a declaration to that effect signed by the Chairman & Managing Director is attached and forms a part of this Report.

BOARD COMMITTEES

3. AUDIT COMMITTEE

The Audit Committee of the Company is constituted in line with the provisions of Clause 49 of the Listing Agreements entered into with the Stock Exchanges read with Section 177 of the Companies Act, 2013.

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

The terms of reference of the Audit Committee are in accordance with Clause 49 of the Listing Agreement and Section 177 of the Companies Act, 2013. The Committee acts as a link between the Management, Auditors and Board of Directors of the Company and has full access to financial information.

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

(ii) Composition, Name of Members and Chairperson

The Audit Committee comprises of the following Directors:

Prof. R. S. S. Mani : Chairman (Independent Director)
 Dr. Rahul Mirchandani : Member (Non-Independent Director)
 Mr. Bhumitra V. Dholakia : Member (Independent Director)

The Chairman of the Audit Committee remains present at the Annual General Meeting. The previous Annual General Meeting of the Company was held on 26th September, 2014 and was attended by Prof. R. S. S. Mani, Chairman of the Audit Committee.

(iii) Meetings and Attendance during the year

The Audit Committee met 4 times during the year on 30.05.2014, 13.08.2014, 14.11.2014 and 13.02.2015. Not more than four months had elapsed between any two meetings. The necessary quorum was present for all the Meetings.

The attendance of each member of the Committee is given below:

Name of the Director	No. of meetings attended(held)
Prof R. S. S. Mani	4(4)
Dr. Rahul Mirchandani	4(4)
Mr. Bhumitra V. Dholakia	4(4)

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

4. NOMINATION AND REMUNERATION COMMITTEE

The Company had a Remuneration Committee of Directors. The said Committee was Re-Constituted and the Nomenclature of the same was changed to Nomination and Remuneration Committee pursuant to provisions of the Companies Act, 2013 and revised Clause 49 of the Listing Agreement.

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

1. To formulate criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. To formulate criteria for evaluation of Independent Directors and the Board;
3. to devise a policy on Board diversity;
4. To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.

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

Nomination and Remuneration Committee consists of Prof. R. S. S. Mani, Mr. Chakradhar Bharat Chhaya and Mr. Bhumitra V. Dholakia all Independent Directors, as members. Prof R. S. S. Mani is the Chairman of the Committee. The Committee did not have any meeting during the year.

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

(v) **Remuneration Policy**

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

(vi) **Details of Remuneration paid to the Directors for the year ended 31st March 2015.**

i) Managing Director and Executive Director.

The Agreements with the Chairman & Managing Director and Executive Director are for a period of three Years from 01.10.2012 to 30.09.2015.

The total remuneration paid to the Managing Director and Executive Director during the year 2014-15 was as under:

(Rupees)

Name	Salary	Commission	Contribution to Provident Fund/ Gratuity	Total
Dr. Jimmy Mirchandani Chairman & Managing Director	49,20,000	32,00,000	--	81,20,000
Dr. Rahul Mirchandani Executive Director	48,50,004	32,00,000	4,17,600	84,67,604

Notes:

- a) The Agreements with the Managing Director, and Executive Director are for a period of three years upto 30th September, 2015. Either party to the Agreement is entitled to terminate by giving the other party a notice of 3 months.
 - b) The Managing Director and Executive Director are entitled to compensation for loss of office in accordance with and subject to restrictions laid down under Section 318 of the Companies Act 1956/Sections 197 & 202 of the Companies Act 2013.
 - c) Presently, the Company does not have a scheme for grant of Stock Options to its Working Directors
 - d) The Managing Director and Executive Director are entitled to Commission within the overall limit prescribed under Sections 198 & 309 of the Companies Act, 1956/ Section 197 of the Companies Act, 2013.
- ii) The Non Executive Directors are not entitled to any Remuneration except payment of Sitting Fees for attending the Meetings of Board of Directors and Committees thereof. During the year 2014-15, the Company has paid total Sitting Fee of Rs. 5,05,000/- to Non Executive Directors as under:
- | | |
|------------------------|-----------------|
| Prof. R. S. S. Mani | Rs. 1,35,000.00 |
| Mr. C. B. Chhaya | Rs. 1,40,000.00 |
| Mr. B. V. Dholakia | Rs. 1,50,000.00 |
| Mrs. Nitya Mirchandani | Rs. 80,000.00 |
- iii) Details of Equity Shares of the Company held by the Directors as on 31st March, 2015 are given below:

Name of the Directors	Number of Equity Share
Executive Directors	
Dr. Jimmy Mirchandani	35,24,830
Dr. Rahul Mirchandani	26,23,221

Non-Executive Directors	
Prof. R. S. S. Mani	NIL
Mr. C. B. Chhaya	NIL
Mr. Bhumitra V. Dholakia	NIL
Mrs. Nitya Mirchandani	3,000

The Company has not issued any Convertible Debentures.

5. STAKE HOLDERS RELATIONSHIP COMMITTEE

- The Company had a Shareholders/ Investors Grievance Committee of Directors. The said Committee was Re-Constituted and the Nomenclature of the same was changed to Stake Holders Relationship Committee pursuant to provisions of Section 178(5) of the Companies Act, 2013 and revised Clause 49 of the Listing Agreement.
- The Stake Holders Relationship Committee has been constituted to specifically look into redressing the Shareholders and Investors' Complaints.
- The Committee met once during the year on 20th August, 2014.
- The Composition of the Stake Holders Relationship Committee and details of Meetings attended by its Members are given below:

Name & Position	Category	Number of Meetings during the Financial Year 2014-15	
		Held	Attended
Prof. R. S. S. Mani Chairman	Independent, Non-Executive	1	1
Dr. Jimmy Mirchandani Member	Non-Independent, Executive	1	-
Dr. Rahul Mirchandani Member	Non-Independent, Executive	1	1

- The Company has always valued Customer relationship. This philosophy has been extended to Stakeholder Relationship.
- Name & Designation and Address of Compliance Officer:**
Mr. Qaiser Parvez Ansari, Company Secretary or in his absence Mr. S. Ramamurthy, Chief Financial Officer is designated as Compliance Officer of the Company.
Aries House, Plot No. 24, Deonar Govandi(E), Mumbai-400 043
Phone No. 022 2556 4052/53 Fax No. 022 2556 4054/25571711
- A statement of various Complaints received and cleared by the Company during the year ended on 31st March, 2015 is given below:

	Nature of Complaint	Opening	No. of Complaints Received	Redressed	Pending
1.	Non- receipt of Dividend Warrants	0	2	2	0
2.	Non- receipt of Refund Order	0	1	1	0
	TOTAL	0	3	3	0

- The "SCORES" website of SEBI for redressing of Grievances of the investors is being visited at regular intervals by the Company Secretary and no Complaint was received during the Financial Year 2014-15 through SCORES.
- As per revised Clause 47(F) of the Listing Agreement the E-mail ID of the Investor Grievance Department of the Company is **investorrelations@ariesagro.com**.
- The Web Site address of the Company is www.ariesagro.com.

5A. OTHER COMMITTEES (VOLUNTARY DISCLOSURE AND COMPLIANCE)

a) Treasury Committee

Composition of the Committee

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

The Committee consists of the following members:

Dr. Jimmy Mirchandani : Chairman

Dr. Rahul Mirchandani : Member

Mr. C. B. Chhaya : Member

b) Risk Management Committee

The Board of the Company has formed a Risk Management Committee to frame, implement and monitor Risk Management Plan for the Company. The Committee is responsible for reviewing the Risk Management Plan and ensuring its effectiveness. The Audit Committee has additional task to oversight in the area of Financial Risks and Controls. Major Risks identified by business and functions are systematically addressed through mitigating actions on continuing basis.

During the year one Meeting of the Risk Management Committee was held on 24th March, 2015.

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

Name & Position	Category	Number of Meetings during the Financial Year 2014-15	
		Held	Attended
Dr. Jimmy Mirchandani Chairman	Non-Independent, Executive	1	1
Dr. Rahul Mirchandani Member	Non-Independent, Executive	1	1
Mr. S. Ramamurthy Member	Chief Financial Officer	1	1

c) Corporate Social Responsibility (CSR) Committee

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

i) Dr. Jimmy Mirchandani, Non-Independent, Executive

ii) Dr. Rahul Mirchandani, Non-Independent, Executive

iii) Mr. B. V. Dholakia, Independent, Non-Executive

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

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

(b) to recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and

(c) to monitor the Corporate Social Responsibility Policy of the Company from time to time.

During the year two Meetings of the CSR Committee was held on 30th May, 2014 & 13th February, 2015.

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

Name & Position	Category	Number of Meetings during the Financial Year 2014-15	
		Held	Attended
Dr. Jimmy Mirchandani Chairman	Non-Independent, Executive	2	1
Dr. Rahul Mirchandani Member	Non-Independent, Executive	2	2
Mr. B. V. Dholakia	Independent, Non-Executive	2	2

6. GENERAL BODY MEETINGS

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

Financial Year ended	Date	Time	Venue	Details of Special Resolutions
31 st March, 2012	28-09-2012	10.00 a.m.	The Chembur Gymkhana, 16 th Road, Chembur, Mumbai-400 071	Re-appointment and fixation of remuneration of Dr. Jimmy Mirchandani, Chairman & Managing Director and Dr. Rahul Mirchandani, Executive Director for a period of 3 years w.e.f. 01.10.2012.
31 st March, 2013	30.09.2013	10.00 a.m.	The Chembur Gymkhana, 16 th Road, Chembur, Mumbai-400 071	Alteration of Articles of Association to align it with the provisions of Clause 203 of the Companies Bill.

Financial Year ended	Date	Time	Venue	Details of Special Resolutions
31 st March, 2014	26.09.2014	10.00 a.m.	The Chembur Gymkhana, 16 th Road, Chembur, Mumbai-400 071	1. Authorisation for Borrowing Money under Section 180(1)(c) of the Companies Act, 2013 2. Authorisation for creation of Charges on the assets of the Company under Section 180(1) (a) of the Companies Act, 2013.

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

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

7. DISCLOSURES

(i) Related Party Transactions

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

The Board has approved a Policy for Related Party Transactions.

All the transactions with Related Parties are periodically approved by the Audit Committee. The Register of Contracts detailing transactions in which Directors are interested is placed before the Board at every Meeting for its approval. Transactions with Related Parties, as per requirements of Accounting Standard 18 are disclosed in Note No. 27-B to the Accounts in the Annual Report and they are not in conflict with the interest of the Company at large.

(ii) Compliances by the Company

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

(iii) Whistle Blower Policy: (Vigil Mechanism)

The Company has adopted a Whistle Blower Policy and established the necessary Vigil Mechanism for Employees and Directors to report concerns about un-ethical behavior. No person has been denied access to the Chairman of the Audit Committee. The said Policy has been put up on the web site of the Company.

(iv) Compliance with Mandatory and Non-Mandatory Items

The Company has complied with the mandatory requirements regarding the Board of Directors, Audit Committees and other Board Committees and other disclosures as required under the provisions of the revised Clause 49 of the Listing Agreement. The status of compliance in respect of non-mandatory requirements of Clause 49 of Listing Agreement is as follows:

(a) **Maintenance of the Chairman's Office:** The Company has an Executive Chairman and the office provided to him for performing his executive functions is also utilized by him for discharging his duties as Chairman. No separate office is maintained for the Non-Executive Chairman of the Audit Committee but Secretarial and other assistance is provided to him, whenever needed, in performance of his duties.

(b) **Tenure of Independent Directors:** All three Independent Directors have been appointed for a term of 5(five) years in the Forty Fourth Annual General Meeting held on 26th September, 2014 and will hold office upto 25th September, 2019.

(c) **Remuneration Committee:** The Company has set up a Nomination and Remuneration Committee consisting of three Non Executive Independent Directors. Please see the paragraph on Nomination and Remuneration Committee.

(d) **Shareholders' rights:** Un-Audited Quarterly Financial Results are posted on the website of the Company.

(e) **Audit Qualification:** The Auditors remarks if any are explained in the Directors Report and necessary actions are also taken by the Company when required. The Company shall endeavor to have unqualified Financial Statements. There is no qualification in the Auditors Report in the current year.

There have been no qualifications by the Auditors in their report on the Accounts of the Company. The Company shall endeavor to continue to have unqualified financial statements.

(f) **Separate posts of Chairman and CEO—**The Articles No. 179 of the Articles of Association permits the Managing Director to hold the office of the Chairman.

(g) **Reporting of Internal Auditor** Partner of the firm of Internal Auditor attends the meetings of the audit committee regularly and directly inter-acts with the audit committee.

(h) CMD/CFO Certification

Chairman & Managing Director/Chief Executive Officer and Chief Financial Officer have issued necessary certificate pursuant to the provisions of clause 49 of the Listing Agreement and the same is annexed and forms part of the Annual Report.

(i) Declaration regarding Code of Conduct

The Members of the Board and Senior Management Personnel have affirmed the Compliance with the Code applicable to them during the year ended 31st March, 2015. The Annual Report of the Company contains a Certificate by the Chairman and Managing Director in terms of Clause 49 of the Listing Agreement based on compliance declarations received from Independent Directors, Non-Executive Directors and Senior Management.

(j) Reconciliation of Share Capital Audit

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

8. SUBSIDIARY COMPANIES

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

9. MEANS OF COMMUNICATION

Means of Communication:

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

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

(ii) Newspaper where results are published

The Company usually publishes its financial results in following newspaper

1. The Financial Express
2. Apla Mahanagar

(iii) Company's Corporate Website

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

Quarterly Report on Corporate Governance under Clause 49 of the Listing Agreement have been submitted to Stock Exchange(s) as follows

Quarterly Report for the quarter ended	Submitted to BSE Ltd.	Submitted to National Stock Exchange of India Ltd through NEAPS
30 th June, 2014	1 st July, 2014	1 st July, 2014
30 th September, 2014	7 th October, 2014	7 th October, 2014
31 st December, 2014	6 th January, 2015	5 th January, 2015
31 st March, 2015	1 st April, 2015	1 st April, 2015

(iv) Release of Official News

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

(v) Presentation to Institutional Investors or to analysts

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

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

In accordance with Clause 52 of the Listing Agreement, all disclosures and communications to BSE Limited and National Stock Exchange of India Limited are filed electronically through CFDS website www.corpfiling.co.in. The Company also submits to NSE all quarterly compliances, disclosures and communications through NSE's NEAPS portal. The Company further has complied with filing submissions through BSE's BSE Online portal.

10. GENERAL SHAREHOLDERS INFORMATION

(i) Annual General Meeting

The 45th Annual General Meeting of the Shareholders will be held on Wednesday, 30th September, 2015 at 10.00 a.m.

Venue: The Chembur Gymkhana, 16th Road, Chembur, Mumbai – 400 071.

(ii) Financial Calendar:-

For the year ending 31st March, 2016 the Financial Results will be announced on:

First Quarter : On or before 14th August, 2015

Half year : On or before 14th November, 2015

Third Quarter : On or before 14th February, 2016

Yearly : On or before 30th May, 2016

(iii) Date of Book Closure: - Saturday, 19th September, 2015 to Wednesday, 30th September, 2015 (both days inclusive)

(iv) Dividend, if any, declared by the Members in the ensuing Annual General Meeting will be paid on 26th October, 2015.

(v) Unclaimed Dividend/IPO Refund to Investor Education and Protection Fund

During the year under review, the Company has credited Rs. 4,31,340/-, being the Un-Claimed/Un-Paid IPO Refund, to the Investor Education and Protection Fund (IEPF) pursuant to Sections 205C of the Companies Act, 1956, read with the Investor Education and Protection Fund (Awareness and Protections of Investors) Rule, 2001.

Pursuant to Section 205A and 205C of the Companies Act, 1956 dividend which remains Un-Paid/Un-Claimed for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government.

(vi) The status of dividend remaining unclaimed is given hereunder:

Unclaimed Dividend	Status	Whether it can be claimed	Can be claimed from	Action to be taken
Up to and including the Financial Year 1994-95	Not Applicable			
For the Financial Years 1995-96 to 2005-06	Not Applicable			
For the Financial Years 2007-08 to 2012-13	Lying in respective Unpaid Dividend Accounts	Yes	M/S Aarthi Consultants Private Limited, Registrars and Transfer Agents 1-2-285, Domalguda, Hyderabad-500 029 040-27634445/8111/27642217	Letter on plain paper

(vii) Pursuant to the provision of the Investor Education and Protection Fund (Unloading of information regarding Un-Paid/Un-Claimed amounts lying with Companies), Rules, 2012, the Company has hosted on its website and on the web site of the Ministry of Corporate Affairs the details of the Unclaimed Dividend as on the AGM dated 26.09.2014.

(viii) The date of declaration of dividend in respect of Financial Years 2007-08 to 2013-14 and the last date for claiming such dividend is given in the table below:

Financial year	Date of Declaration	Rate	Last Date of Claiming payment from Aarthi Consultants Pvt. Ltd*
2007-08(Interim)	28 th May , 2008	12%	28 th May , 2015
2009-10	17 th September, 2010	15%	17 th September, 2017
2010-11(Interim)	28 th January, 2011	10%	28 th January, 2018
2010-11(Final)	29 th September, 2011	10%	29 th September, 2018
2011-12	28 th September, 2012	15%	28 th September, 2019
2012-13	30 th September, 2013	15%	30 th September, 2020
2013-14	26 th September, 2014	20%	26 th September, 2021

*Indicative dates. Actual dates may vary.

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

- (x) Shareholders are requested to get in touch with the Registrars for encashing the unclaimed dividend amount, if any, standing to the credit of their account.
- (xi) **Listing:** The Equity Shares of the Company are listed on BSE Ltd and National Stock Exchange of India Ltd.
- (xii) ISIN NO. : INE298I01015
Scrip Code : BSE - 53293
NSE - ARIES
- (xiii) **Listing Fee:** The Listing Fee for the financial year 2015-2016 has been paid to the above Stock Exchanges.
- (xiv) **Market Price Data: high, low during each month in the last Financial Year.**

Monthly Share Price Data of the Company's shares on BSE for the year ended 31st March, 2015

Month	Highest		Lowest	
	Rate (Rs.)	Date	Rate (Rs.)	Date
April, 2014	72.75	23.04.2014	55.55	03.04.2014
May, 2014	86.00	30.05.2014	57.25	09.05.2014
June, 2014	87.95	26.06.2014	64.00	16.06.2014
July, 2014	99.50	07.07.2014	80.55	01.07.2014
August, 2014	99.35	25.08.2014	74.80	14.08.2014
September, 2014	113.75	11.09.2014	83.35	25.09.2014
October, 2014	93.70	17.10.2014	83.00	17.10.2014
November, 2014	124.45	28.11.2014	87.50	14.11.2014
December, 2014	143.60	08.12.2014	109.55	17.12.2014
January, 2015	164.40	30.01.2015	112.50	07.01.2015
February, 2015	163.60	02.02.2015	121.50	26.02.2015
March, 2015	138.50	04.03.2015	96.40	27.03.2015

Monthly Share Price Data of the Company's shares on NSE for the year ended 31st March, 2015

Month	Highest		Lowest	
	Rate (Rs.)	Date	Rate (Rs.)	Date
April, 2014	66.15	15.04.2014	55.80	03.04.2014
May, 2014	86.40	30.05.2014	57.00	09.05.2014
June, 2014	87.80	26.06.2014	62.20	16.06.2014
July, 2014	99.45	07.07.2014	79.35	01.07.2014
August, 2014	99.50	25.08.2014	73.80	14.08.2014
September, 2014	113.50	11.09.2014	83.30	26.09.2014
October, 2014	94.15	31.10.2014	83.30	08.10.2014
November, 2014	124.60	28.11.2014	86.75	11.11.2014
December, 2014	143.45	08.12.2014	109.60	17.12.2014
January, 2015	164.65	30.01.2015	112.10	07.01.2015
February, 2015	163.95	02.02.2015	121.00	26.02.2015
March, 2015	134.90	03.03.2015	96.30	27.03.2015

(xv) Performance in comparison to BSE & NSE Sensex

BSE NSE



BSE NSE



(xvi) Name and Address of the Registrar and Share Transfer Agents

AARTHI CONSULTANTS PVT LTD

Regd. Office

1-2-285 Domalguda, Hyderabad – 500029

Tel: 040 27638111 / 27634445 / 27642217 / 66611921 Fax: 040 27632184

Email: info@aarthiconsultants.com

(xvii) Share Transfer System

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

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

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

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

above 5000 Shares : Share Holders/Investors Grievance Committee

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

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

(xviii) (1) Distribution of Share Holding as on 31st March 2015

Shareholding of Nominal Value		Shareholders			Share Amount	
From	To	Number	No of Shares	% of Total	Rupees	% of Total
1	5000	7701	913573	83.83	9135730	7.03

Shareholding of Nominal Value		Shareholders			Share Amount	
From	To	Number	No of Shares	% of Total	Rupees	% of Total
5001	10000	735	573809	8.01	5738090	4.41
10001	20000	315	489289	3.43	4892890	3.76
20001	30000	149	384229	1.62	3842290	2.96
30001	40000	71	250175	0.77	2501750	1.92
40001	50000	70	334560	0.76	3345600	2.57
50001	100000	81	596632	0.88	5966320	4.59
100001	And above	64	9462072	0.70	94620720	72.76
TOTAL		9186	13004339	100.00	130043390	100.00

(2) **Distribution of shareholding according to categories of shareholders as on 31st March, 2015**

Categories	No. of Shares	Amt. in Rs.	% to Total
Promoters	6857926	68579260	52.74
Directors (Independent)	--	--	--
Financial Institutions/ Banks	21478	214780	0.16
Mutual Funds / UTI	--	--	--
NRIs / OCBs/FIIs	188583	1885830	1.45
Other Bodies Corporate	1418623	14186230	10.91
Public	4517729	45177290	34.74
Total	13004339	130043390	100.00

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

Sr. No.	Name of the Companies	Shareholding as on 31.03.2015
1.	Sreeni Agro Chemicals Ltd.	NIL
2.	Aries Marketing Ltd.	NIL
3.	Blossoms International Ltd.	NIL
4.	Aries East-West Nutrients Pvt. Ltd.	NIL

Subsidiary Companies

A list of Subsidiary Companies is given in Note No. 27-A of the Notes to Accounts forming part of the Annual Report.

All the Subsidiary Companies are Board managed. As the majority share holder, the Company has nominated its representative on the Board of Subsidiary Companies to monitor performance of such Companies. These are not material Subsidiaries as defined under Clause 49 of the Listing Agreement.

(xix) **Details of Demat Shares as on 31st March, 2015**

Name of Depository	No. of Shareholders	No. of Shares	% of Capital
NSDL	5849	10118004	77.80
CDSL	3218	2564754	19.72
Sub-Total	9067	12682758	97.52
Physical Mode	119	321581	2.48
Grand Total	9186	13004339	100.00

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

(xxi) **Plant Location: -**

Location	Address
Mumbai, Maharashtra	• ARIES House, Plot No. 24, Deonar, Govandi(E), Mumbai-400 043, Maharashtra
Hyderabad, Telangana	• 244-246, 250-252, IDA Phase-II, Pashamylaram, Patancheru Mandal, Medak Dist;502 307, Telangana
Bangalore, Karnataka	• No. 14-F, 8 th Cross, Attibele Industrial Area, Hosur Main Road, Attibele, Bangalore - 562 107, Karnataka
Chhatral, Gujarat	• 1202/1 & 1202/2, Village: Rajpur, Taluka: Kadi, Distt: Mehsana, 382 740, Gujarat

Lucknow Uttar Pradesh	• Plot No. 836, Banthara, Lucknow-Kanpur Highway, Sikandarpur, Tehsil & Distt. Lucknow, U. P., 227 101
Sharjah, UAE	• Golden Harvest Middle East FZC(a Subsidiary of Aries Agro Limited) Plot P3-04, Post Box No. 9267, Sharjah Airport International Free Zone(SAIF), Sharjah, UAE
Fujairah, UAE	• Amarak Chemicals FZC(a Subsidiary of Golden Harvest Middle East FZC thereby a Step Down Subsidiary of Aries Agro Limited) Al Hayl Industrial Area, P. O. Box 5283, Fujairah Free Zone(FFZ), Fujairah, UAE

(xxii)Address for Correspondence:

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

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

- ii) For grievance redress and any query

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

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

CERTIFICATE FROM AUDITORS REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

AUDITORS' CERTIFICATE

To the Members of Aries Agro Limited

We have examined the compliance of the conditions of Corporate Governance by Aries Agro Limited for the year ended 31st March, 2015, as stipulated in clause 49 of the Listing Agreements of the said Company with Stock Exchanges in India.

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

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreements.

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

For **Kirti D. Shah & Associates**
Chartered Accountants

Kirti D. Shah
Proprietor
Membership No. 32371

Mumbai

Date: 11th August, 2015

Declaration by the Chairman & Managing Director to the Compliance of Code of Conduct in pursuance of Clause 49 (D) (ii) of the Listing Agreement

It is hereby declared that the Company has obtained from all the Members of the Board and Senior Management Personnel of the Company, affirmation that they have complied with the Code of Conduct of the Company for the Financial Year 2014-15.

Dr. Jimmy Mirchandani
Chairman & Managing Director
DIN-00239051

Date: 11th August, 2015

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

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

- (a) We have reviewed the financial statements and the cash flow statement for the year ended on 31st March, 2015 and based on our knowledge and belief we state that :-
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain any statement that might be misleading.
 - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) We further state that to the best of our knowledge and belief there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct. We hereby declare that all the members of the Board of Directors and Management Committee have confirmed compliance with the Code of Conduct as adopted by the Company.
- (c) We are responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee:
 - i. There have been no significant changes in the internal controls over financial reporting during the year.
 - ii. There have been no significant changes in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
 - iii. There have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

Mumbai
11th August, 2015

Dr. Jimmy Mirchandani
Chairman & Managing Director
DIN-00239051

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

MANAGEMENT DISCUSSION AND ANALYSIS

FORWARD LOOKING STATEMENTS

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

OVERVIEW

OVERVIEW OF INDUSTRY:

The Company is part of the growing specialty plant nutrition industry, a distinct section of crop nutrition. This industry is currently characterized by

- Demand from progressive farmers over input exposure
- Lower volume of consumption per unit of land area but with higher yields.
- Widespread market all over the country especially in areas growing cereals, horticulture, plantations, oilseeds and spices.
- Soil specific requirement with a need to customize combinations.
- Perennially high working capital requirement due to need to provide credit to the customers and also maintain customized inventory in all areas of operations.
- High seasonality due to dependence on rainfall and changing cropping pattern.

MANUFACTURING BASE

The total capacity utilization currently stands at 51% of the total installed capacity of 84,600 MT p.a. in India. Our international manufacturing facilities at UAE have also maintained the capacity utilization of 39% of the total installed capacity overseas.

During the year, specific metrics were developed for evaluating the performance of Aries manufacturing units and all factories are now subject to specific norms including per unit cost of production, growth in manufacturing output and adherence to strict quality control parameters. Based on these criteria, the manufacturing unit at Chhatral was adjudged the best factory in the Aries manufacturing base for Financial Year 2014-15.

HIGHLIGHTS & KEY EVENTS

HIGHLIGHTS

Financial Year 2014-15 was characterized by an extremely erratic season with delay in onset of monsoon by almost 1-1½ months as a result of which, the Kharif season was inordinately delayed. Later, the Kharif crop did improve, however unseasonal rains at the end of the season affected the harvest and crop quality. The Rabi season was once again expected to be good, however despite availability of water, the widespread cold wave and extended winter, frost and hailstorm which spread throughout the winter and spring months, caused significant decline in Rabi sales in comparison with the plans. Despite this, the Company managed to retain its sales turnover, though without any significant growth. Since cost structure was relatively stable, minimal price increases were implemented on select products only. Number of brands was reduced to 64. The Company also decided to withdraw certain products which are very similar to other brands in the Aries portfolio and also eliminated certain brands which do not provide atleast Rs. 1 Crore sale during the financial year. This pruning is an attempt to ease some pressure on inventory and eliminated production lines being occupied with brands which are not providing minimum volumes.

KEY EVENTS

The following were the key events during the year;

- Aries held its Annual Strategy Meet in April 2014 at Indian School of Business, Hyderabad.
- In May 2014 for ten consecutive years Aries quality management system was audited and certified as NS-EN ISO 9001:2008 with zero non-compliance report.
- In May 2014 Aries appointed new exclusive distributors for Nepal and also conducted series of customer conventions.
- In June 2014 Aries participated in Bangladesh Youth Leadership Conference.
- In July 2014 Aries was invited to present its entrepreneurial journey at the Commonwealth Games Business Conference in Glasgow, UK. The session was witnessed by delegates from 53 Commonwealth countries.
- During the year Aries conducted dealer's training and India's first series of agri inputs flash sales in Khajuraho, Chandigarh, Indore, Ahmedabad, Jaipur, Varanasi, Patna and Srinagar. This was one of the most successful new marketing initiatives undertaken during the year 2014-15 and it generated lot of enthusiasm amongst the Aries customers.
- In November 2014 Aries team tied up with SCA group, the Netherlands Government and engaged 40 number of dealers and farmers from Gujarat and Maharashtra in a Capacity Building Workshop for optimizing post harvest supply chain for Indian farmers on tomato and banana.
- In November 2014 Aries also was involved in the mentorship of North Eastern Youth from Nagaland in agricultural entrepreneurship opportunities.
- In February, 2015 Aries played a key role in the innovation and entrepreneurship workshops conducted by the Entrepreneurship Development Institute of India, Gandhinagar, Gujarat.

10) During March 2015, year-end customer convention and annual planning meetings took center stage

AWARDS & RECOGNITION

For the fourth consecutive year, we were awarded “**Certificate of Excellence**’ in recognition of our **Exemplary Growth** – in this year’s Inc India 500 ranking of India’s 500 fastest-growing mid-size enterprises. Inc. India 500 is an offshoot of the annual Inc. 500 Awards: “Est. in 1982 in America. Inclusion on this list is a mark of entrepreneurial success and elevates our company above its competitors and is a proof of the talent, drive and hard work our team have brought to our business

We were also awarded the ‘**Innovative 100 – Certificate of excellence**’ in recognition of smart innovation by 9.9 Media & Inc. India.

Our Executive Director was awarded the “Inc India Certificate of Excellence” for being ranked amongst 30 most Innovative Indian CEOs for the year 2014.

GLOBAL SOURCING

Aries has sourced 32% of its total raw materials from overseas suppliers located in China, Israel, Turkey, U.A.E., U.S.A, U.K., Belgium, Chile and South Africa. Imports constitute 35% of our total purchases and our Company has identified a pool of reliable overseas suppliers.

Aries has always recognized that its business is working capital intensive and with the objective of reducing working capital load, the Company continues to take the following steps:

- i) Reducing number of brands to 64.
- ii) Number of Stock Keeping Units (SKU) were reduced by 5 Nos.
- iii) Sales depots were asked to maintain inventory of only the brands that provide them with 80% of their total turnover with the balance 20% being supplied on a need only basis.
- iv) A total of 11 cases were filed for recovery of old outstandings.

As a result of working capital control being established the number of days of inventory has been maintained at 155 days and debtors also maintained at the same level.

COST MANAGEMENT

Financial year 2014-15 was characterized by relatively stable cost structures. Even the cost of fuel, USD and interest rates either remained stable or slightly declined, however the cost of operations increased as a percentage due to fixed costs since sales did not grow as expected. Demand in the market was not as buoyant due to two consecutive bad seasons. In order to retain market share, the Company has to increase cost of sales, primarily due to schemes and discounts offered to the trade, to induce consumption in a depressed demand scenario. One of the major increase in cost was on account of marketing and sales promotion expenses which were considered essential to retain market share.

MAN POWER

During the previous financial year, the Company considered it prudent to reduce the man power employed in various areas. The manpower was reduced from 785 to 753 in the year under review. Considering how the season progresses in 2015-16, the Company shall make decisions on recruitment of staff. However, further recruitment of man power is now subject to prior approval and specific norms viz return per person employed. These norms are set in consultation with the State Heads during the Annual Planning meetings.

GLOBAL DISTRIBUTION:

International sales have commenced in Brazil, Taiwan, Vietnam, Sri Lanka, Pakistan, Australia, Ecuador, New Zealand, Singapore, UK, Trinidad and Zambia, with supplies from Indian and UAE factories. Distributors have been appointed in Brazil, Vietnam, Cambodia, Sri Lanka, New Zealand, and Ecuador and we expect export and global sales to grow and form around 35% of the group revenues of the Company by Financial Year 2015-16.

OUTLOOK:

2015 monsoon have commenced on schedule and have rapidly spread across the country. June rainfall figures are 20% above normal. However, it is expected that El-Nino conditions will prevail during July and August 2015. The Company has therefore taken active steps to conduct offseason flash sales in several states/region including Hampi, Chandigarh, Mount Abu, Sunderban, Coimbatore and Sindhaur. This has resulted in healthy order book for the Kharif season and product placements well before the season reaches its peak have been planned. The Company will actively monitor the progress of rains and will pursue liquidation aggressively in all markets. The Company is also increasing its focus on non rain dependant agriculture namely plantations, irrigated districts, perennial crops and river basins, in addition to our focus on aquaculture and farm equipment products will also continue despite the monsoon situation.

The Company will introduce three new brands during the current Financial Year

- 1) Arisil : is a natural, mined product in the form of Diatomaceous Earth. This is an Indocert approved organic product for soil conditioning, silicon nutrient availability and pest management.
- 2) Calcomag - contains sufficient micro/macro nutrients to combat mineral deficiency in the pond soil in aquaculture.
- 3) Calpro: Calcium Amino Acid Chelate for agriculture.

SEGMENTWISE / PRODUCTWISE PERFORMANCE

The Company has only one Reportable Segment in terms of Accounting Standard (AS-17) “Segment Reporting” specified in the Company’s (Accounting Standard) Rules, 2006 .

RISK MANAGEMENT & INTERNAL CONTROLS

RISK MANAGEMENT

During the year, your Directors have constituted a Risk Management Committee which has been entrusted with the responsibility to assist the Board in;

- (a) Overseeing and approving the Company’s enterprise wide risk management framework; and
- (b) Overseeing that all the risks that the organization faces such as strategic, financial, credit, market, liquidity, security, property, IT, legal, regulatory, reputational and other risks have been identified and assessed and that there is an adequate risk management infrastructure in place capable of addressing those risks.

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

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

INTERNAL CONTROL SYSTEM

The Company has an extensive system of internal controls to ensure optimal utilization of resources and accurate reporting of financial transactions and strict compliance with applicable laws and regulations. The Company has put in place sufficient systems to ensure that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are authorized, recorded and reported correctly.

THREATS AND OPPORTUNITIES

The external factors which could serve as threat to the business would include rising oil prices, freight costs, non-availability of some critical raw materials and foreign exchange rate fluctuations.

Opportunities would include growth in international markets, expansion in the range of balanced nutritional products and penetrating deeper into new segments within the 1,20,000 villages where the Company currently serves the farmers across India. This will increase the share of wallet per customer.

FINANCIAL PERFORMANCE:

The Company's Sales Turnover for the financial year ended March 31, 2015 increased to Rs. 23,411.19 Lakhs from Rs. 23,286.50 Lakhs in the previous year, reflecting a growth of 1%.

Total expenses for the year was Rs. 22,054.34 Lakhs as against Rs. 21,267.76 Lakhs in the previous year.

Profit Before Tax decreased to Rs. 1,509.13 Lakhs during the year as against Rs. 1,840.97 Lakhs in the previous year.

Tax provision for the year was Rs. 294.80 Lakhs as against Rs. 655.28 Lakhs in the previous year which translates to 1.26 % on FY 14-15 Sales.

Profit After Tax for the year was Rs.1,181.28 Lakhs as against Rs. 1,153.03 Lakhs in the previous year which is 5.05 % of FY 14-15 Sales.

RESOURCES AND LIQUIDITY:

As on March 31, 2015, the net worth of the Company stood at Rs. 13,513.19 Lakhs as against Rs.13,329.79 Lakhs.

As on March 31, 2015, the Company had a Debt / Equity ratio of 0.85. The Company has not raised any Fixed Deposits from the public.

HUMAN RESOURCES:

As at the end of the financial year there were 753 employees under the permanent rolls and a few under contract. We have an ongoing

arrangement with few labour supplier organizations for our various locations.

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

Sr. No.	Particular	Employees
1.	Skilled	34
2.	Semi-Skilled	7
3.	Unskilled	85
	Sub- Total	126
4.	Contract Labour	169
	TOTAL	295

The Department wise breakup of our manpower is as under:

Sr. No	Name of the Department	No. of Staff
1.	Directors	2
2.	Accounts, Personnel & Administration, Legal & Secretarial	154
3.	Production(Staff and Workers), R&D and Spray Dry Operators	178
4.	Sales	419
	TOTAL	753

HEALTH/ SAFETY/ENVIRONMENT SENSITIVITY

HEALTH THROUGH NUTRITION:

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

ENVIRONMENT SENSITIVITY:

- Aries has installed its first Solar Power Generation System at its manufacturing unit in Hyderabad. The system is operational since August, 2014 and has generated 60969 kw of power during the period of 8 months till 31st March, 2015.
- All Aries products are based on the philosophy of "Use less chemicals and use safe chemicals" – low doses of chemically inert and cost effective nutrient complexes
- The entire range of Aries Chelates are environmentally safe

NON POLLUTING:

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

REPORT ON CORPORATE SOCIAL RESPONSIBILITY

CSR AT ARIES AGRO LIMITED

Aries continues its tradition of carrying out range of activities that create knowledge spread and adoption of farming best practices in the markets that Aries functions in. The Company has carried out a range of projects during the financial year 2014-15 in addition to some philanthropic activities.

FORCUS AREAS OF ENGAGEMENTS

FARMERS CALL CENTRE:

The Company has set up Farmer's Call Centre at its Vijayawada branch currently employing 3 qualified B.Sc agri executives. They collect soil testing data and answer farmer queries in order to provide a direct connect with Aries consumers. During the last year 2500 number of farmers called the call center and queries included all aspects of integrated nutrient management, pest management, soil selection, post harvest management, etc

SPREADING KNOWLEDGE:

Aries' extension team continues to strongly advocate good agricultural practices in all states of India. The activities are conducted under the supervision of Agronomist and Agricultural Research Institutions throughout the year. During the year under review 2401 knowledge dissemination activities including farmers meeting were undertaken impacting 47385 number of farmers. These sessions were conducted by team of 48 extension officials spread across 17 states.

Aries organized various state level farmer's conference at Maharashtra, Gujarat, Karnataka, Rajasthan, Bihar, Haryana, Himachal Pradesh, Jammu & Kashmir, Odisha, Jharkhand, Uttarakhand, Andhra Pradesh, Uttar Pradesh, West Bengal, Madhya Pradesh, Chhattisgarh and Punjab. The unique feature of these events have been that they had participation on a common intellectual platform from top government officials, opinion leaders, thought leaders from industry and academia, research scholars, scientists, agribusiness students and farmers from across the states.

A large seminar on Good Agricultural practices was conducted at Ramakrishna Recreation Club Auditorium at Vuyyuru in the presence of several sugarcane growers.

A similar session on best practices training was conducted at Dhone by agronomist from Acharya N G Ranga Agricultural University, Andhra Pradesh

SOIL TESTING SERVICES

The Company has organized during the year soil testing camps in North Karnataka, Andhra Pradesh and Telangana using Mobile Soil Testing Kits which analyse 10 parameters including pH, EC, NPK levels in soil, micro nutrient levels including Zinc, Ferrous, Boron, Organic Carbon, etc. Approximately 1844 Soil Health Cards were issued to farmers providing an additional service in order that they understand the specific nutrient needs of their farms.

FLOOD/DROUGHT RELIEF:

Aries was the first respondents to the relief work after the Kashmir floods. The staff contributed upto a day of salary and in addition to that the Company also contributed funds for the following relief material which was airlifted for distribution at the relief centers through M/s. Kashmir Box, an NGO in Srinagar. The relief material included;

- Rice
- Water Purifying tablets
- Vaccines
- Chlorine tablets

- Mask and Gloves
- Toothbrush and Toothpaste
- Stationery

SWACH BHARAT MISSION:

Series of activities were conducted in Andhra Pradesh under the Swach Bharat Mission including

- 1) Child and Police Project School, Guntur along with the Guntur Municipal Commissioner
- 2) Construction of Girls washrooms in upper primary schools in Timmarajupalem and Kattubadivaripalem in Andhra Pradesh
- 3) Supplying new tables and water purifying system to rural schools in Warangal district, Andhra Pradesh

OTHER CSR ACTIVITIES:

Old Age Home: The Company also provided meals to the residents of missionaries of Charity, charitable organization running food programme for Premdaan, Mother Teresa Ashram, Airoli, Navi Mumbai.

In addition, series of activities were conducted on Children's Day at Our Lady of Perpetual Succour High School, Chembur, Mumbai for 1200 students. This included distributing Snacks and conducting a series of Child & Sexual Abuse workshops in coordination with the Mumbai Police and NGO Pratham.

INFLUENCER RELATIONS

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

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

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

CSR EXPENDITURE DURING THE YEAR 2014-15

Head of Expense	Amount (Rs.)
Flood/Drought Relief	1,46,309
Distribution of Books	66,001
Soil Sampling/Testing	56,830
Old Age Home	10,000
Scholarships	1,41,809
Farmers Call Centre	2,88,975
Farmers Education	24,49,763
Swach Bharat	2,75,000
TOTAL	34,34,687

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ARIES AGRO LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **ARIES AGRO LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial

statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2015;
- (b) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of Sub section (11) of Section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 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 purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books [and proper returns adequate for the purposes of our audit have been received from the branches not visited by us].
 - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164(2) of the Act and
 - (f) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements as referred to in the notes to accounts of these financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **Kirti D. Shah & Associates**
Chartered Accountants
Firm Registration No. 115133W

Kirti D. Shah
Proprietor
Membership No. 032371

Place : Mumbai
Date : 28th May, 2015

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

(This is the Annexure referred to in our Report of even date)

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31st March 2015, we report that:

- i. a. The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- b. These fixed assets were physically verified by the management at reasonable intervals. We have been informed that no material discrepancies were noticed on such physical verification.
- ii. a. The stock of inventory has been physically verified during the period by the management at reasonable intervals.
- b. In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- c. The company has maintained proper records of inventories. No material discrepancies were noticed on physical verification of stocks as compared to book records.
- iii. a. The Company has granted loans to five companies (subsidiaries) covered in the Register maintained under Section 189 of the Act, 2013.
- b. As per information and explanation provided to us, the loans granted by the Company to the bodies corporate listed in the register maintained under section 189 of the Act, the borrowers have been regular in payment of interest as stipulated wherever applicable. The terms of arrangements do not stipulate any repayment schedule and the loans are repayable on demand. Accordingly, this paragraph of the Order is not applicable to the company in respect of repayment of the principal amount.
- c. As per the information given by the management, There are no overdue amounts of more than rupees One Lac in respect of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act.
- iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. In our opinion, there is no continuing failure to correct major weaknesses in internal control.
- v. According to the information and explanations provided by the company, The Company has not accepted deposits from the public. Hence, the question of compliance with the directives issued by Reserve Bank of India and provision of sections 73, 74, 75 and 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 does not arise. No order has been passed by the National Company Law Tribunal or Company Law Board or RBI in this regard.
- vi. The Company has appointed a cost accountant firm to carry out the Cost Audit. We have reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2014 prescribed by the Central Government under section 148 (1) of the Companies Act, 2013 and are of

the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

- vii. a. According to the information and explanations given to us and the records of the company examined by us, in our opinion, the company is generally regular in depositing statutory dues including Provident Fund, Employee State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and any other material statutory dues except occasional/ minor delays. As per the information given by the management and apparent from the records the undisputed liabilities as on 31st March 2015 is for a period exceeding six months from the date of it becoming payable is NIL.
- b. Details of disputed liability in respect of tax dues on account of Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess together with the status and the Forum before which such dispute is pending as on 31st March 2015 is as per **Annexure I**.
- c. According to the information and explanations given to us the amounts which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there under has been transferred to such fund within time.
- viii. The company does not have accumulated losses at the end of the financial year. The company has not incurred cash losses in the financial period under audit and in the financial period immediately preceding such financial period.
- ix. The company has not defaulted in repayment of dues to a financial institution or banks. The Company has not obtained any borrowings by way of issue of debentures.
- x. According to the information and explanation provided to us, in respect of guarantees given / security offered by the Company in respect of facilities / loans granted to Subsidiaries of the Company, the terms and conditions of such loans / facilities are prima facie not prejudicial to the interest of the Company.
- xi. The company has taken term loans which have been utilized for the purpose for which such loans were obtained.
- xii. During the course of our examination of books and records of the company, carried out in accordance with generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the company, noticed or reported during the year, nor we have been informed of any such case by the management.

For Kirti D. Shah & Associates
Chartered Accountants
Firm Registration No. 115133W

Kirti D. Shah
Proprietor
Membership No. 032371

Place : Mumbai
Date : 28th May, 2015

ANNEXURE I TO AUDITORS REPORT (CLAUSE VII-B)

Details of disputed statutory dues outstanding as on 31st March, 2015

Nature of Dues	Period to which payment relates	Forum where the dispute is pending	Particulars of Dispute	Tax Outstanding Rs.
Sales Tax (Kanpur)	1994 – 1995	Assessing Authority, (DC) – Asst. (5) - Commercial Tax Department, Kanpur	Applicability of C Form on interstate sale of poultry products	93,173
Sales Tax (Kanpur)	1985-1986	Tribunal	Classification of goods	1,75,000
			Total	2,68,173
Income Tax	2005-06	Income Tax Appellate Tribunal	Disallowance of Notional Interest on Advances given	4,41,660
Income Tax	2008-09	Income Tax Officer (TDS) 1 (2)	TDS other than Salary - Short deducted / paid and Interest thereon. Order U/s 201(1) / 201 (1A)	14,79,430
Income Tax	2009-10	Deputy Commissioner of Income Tax – TDS Circle Mumbai	TDS on Salary - Short deducted / paid and Interest thereon. Order U/s 201(1) / 201(1A)	17,63,750
Income Tax	2009-10	Assistant Commissioner of Income Tax – Circle – 14(1), Mumbai	Dissallowance of deduction u/s 35D. Order U/s 143 r.w.s. 147 of the Income Tax Act, 1961	25,92,730
			Total	62,77,570

Claims against the Company not acknowledged as Debts as at 31st March, 2015

Period to which payment relates	Forum where the dispute is pending	Particulars of Dispute	Amount Disputed Rs.
F Y 2007-08	City Civil Court, Jalgaon	M/s Vinita Chemipharma Corporation - Quality Issue	2,46,000
F Y 2006-07	Consumer Redressal Forum, Lucknow (UP)	Mr. Kamlesh Kumar – Quality Issue	35,000
F Y 2010-11	State Consumer Disputes Redressal Commission Hyderabad (Andhra Pradesh State)	Mr. K. Srinivasa Rao – Quality Issue	3,31,182 Includes 2,32,500 plus interest @ 9% (95,682) from 04.09.2010 till 31.03.2015 and Costs of Rs.3,000
F Y 2013-14	City Civil Court, Mumbai	Nanji D. Patel - Claim for Supplies of Stationery	6,97,203
		Total	13,09,385

Balance Sheet as on 31st March, 2015

Particulars	Note No.	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	3	130,043,390	130,043,390
(b) Reserves and Surplus	4	1,221,275,200	1,273,847,286
		1,351,318,590	1,403,890,676
(2) Non-Current Liabilities			
(a) Long Term Borrowings	5	129,683,541	185,380,712
(b) Deferred Tax Liabilities (Net)	6	37,552,167	63,622,235
(c) Long Term Provisions	7	7,048,585	5,445,280
		174,284,293	254,448,227
(3) Current Liabilities			
(a) Short Term Borrowings	8	948,712,879	1,026,446,105
(b) Trade Payables	9	320,512,813	272,689,967
(c) Other Current Liabilities	10	154,930,909	201,176,282
(d) Short Term Provisions	11	93,803,224	67,987,024
		1,517,959,825	1,568,299,380
TOTAL		3,043,562,708	3,226,638,282
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets	12		
(i) Tangible Assets		210,069,287	347,917,895
(ii) Intangible Assets		888,665	1,014,292
(iii) Capital Work-in-Progress		92,919,950	108,500,000
(b) Non-Current Investments	13	202,764,000	202,781,300
		506,641,902	660,213,487
(2) Current Assets			
(a) Inventories	14	996,849,305	994,764,309
(b) Trade Receivables	15	976,737,639	950,497,869
(c) Cash & Cash Equivalents	16	84,641,728	124,494,671
(d) Short Term Loans and Advances	17	478,692,134	496,667,946
		2,536,920,806	2,566,424,795
TOTAL		3,043,562,708	3,226,638,282
Significant Accounting Policies & The Notes to Accounts 1 to 34 form part of these Financial Statements			

As per our report of even date

For Kirti D Shah & Associates
Firm Registration No. 115133W
Chartered Accountants

Kirti D Shah
Proprietor
Membership No 32371

For and on behalf of the Board

Dr. Jimmy Mirchandani
Chairman & Managing Director
DIN 00239021

Dr. Rahul Mirchandani
Executive Director
DIN 00239057

Mrs. Nitya Mirchandani
Director
DIN 06882384

Prof R S S Mani
Director
DIN 00527270

Mr. C. B. Chhaya
Director
DIN 00968966

Mr. B. V. Dholakia
Director
DIN 01871816

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

Mr. Qaiser P. Ansari
Company Secretary
Membership No. ACS-8979

Place : Mumbai.
Date : 28th May, 2015

Statement of Profit and Loss for the year ended 31st March, 2015

Particulars	Note No.	Year Ended 31 March 2015 Rupees	Year Ended 31 March 2014 Rupees
I. Revenue from Operations	18	2,341,118,574	2,328,650,026
II. Other Income	19	15,228,407	22,622,907
III. Total Revenue (I + II)		2,356,346,981	2,351,272,933
IV. Expenses :			
(a) Consumption of Materials	20	1,000,562,552	997,413,531
(b) (Increase) / Decrease in Inventories of Finished Goods	21	(10,452,378)	(13,283,135)
(c) Employee Benefits Expense	22	245,218,741	230,784,984
(d) Finance Costs	23	212,965,713	227,676,792
(e) Depreciation	12	18,172,205	14,696,619
(f) Other Expenses	24	738,967,597	709,887,543
Total Expenses		2,205,434,430	2,167,176,334
V. Profit Before Tax (PBT) - (III - IV)		150,912,551	184,096,599
VI. Provision for Taxation			
(i) Tax Expense			
Current Tax		55,400,000	65,400,000
Deferred Tax		(26,070,068)	(246,520)
(ii) Wealth Tax		150,000	375,000
		29,479,932	65,528,480
VII. Profit after Tax (PAT) - (V - VI)		121,432,619	118,568,119
Less :- Short Provision for Tax in Earlier Years		3,304,278	3,265,230
VIII. Profit / (Loss) for the period		118,128,342	115,302,889
IX Earnings per Equity Share			
(1) Basic & Diluted	25	9.08	8.87
Significant Accounting Policies & The Notes to Accounts 1 to 34 form part of these Financial Statements			

As per our report of even date

For Kirti D Shah & Associates
Firm Registration No. 115133W
Chartered Accountants

Kirti D Shah
Proprietor
Membership No 32371

For and on behalf of the Board

Dr. Jimmy Mirchandani
Chairman & Managing Director
DIN 00239021

Dr. Rahul Mirchandani
Executive Director
DIN 00239057

Mrs. Nitya Mirchandani
Director
DIN 06882384

Prof R S S Mani
Director
DIN 00527270

Mr. C. B. Chhaya
Director
DIN 00968966

Mr. B. V. Dholakia
Director
DIN 01871816

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

Mr. Qaiser P. Ansari
Company Secretary
Membership No. ACS-8979

Place : Mumbai.
Date : 28th May, 2015

Statement of Cash Flows for the year ended 31st March, 2015

(Amount in Rupees)

Sr. No.	Particulars	2014-15	2013-14
A)	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit before tax as per Profit and Loss Account	150,912,551	184,096,599
	Adjusted for :		
	Loss on Sale of Assets (net)	2,610,191	5,115,356
	Depreciation	18,172,205	14,696,619
	Proposed Dividend	(26,008,678)	(26,008,678)
	Dividend Distribution Tax	(5,325,191)	(4,420,175)
	Interest Income	(14,937,571)	(22,347,714)
	Finance Costs	212,965,713	248,827,096
		<u>187,476,669</u>	<u>215,862,504</u>
	Operating Profit before Working Capital Changes	338,389,220	399,959,103
	Adjusted for :		
	Trade Receivables	(26,239,770)	(126,065,864)
	Inventories	(2,084,996)	29,214,429
	Trade Payable	47,822,846	(47,643,045)
	Other Payable	(18,825,869)	59,793,742
		<u>672,211</u>	<u>(84,700,739)</u>
	Cash Generated from Operations,	339,061,431	315,258,364
	Net Prior Year Adjustments	(3,304,278)	(3,265,230)
	Taxes Paid	(55,550,000)	(65,775,000)
		<u>(58,854,278)</u>	<u>(69,040,230)</u>
	Net Cash from Operating Activities	<u>280,207,153</u>	<u>246,218,134</u>
B)	CASH FLOW FROM INVESTING ACTIVITIES :		
	Purchase of Fixed Assets (Including Capital work in progress (WIP)	(10,634,780)	20,741,554
	Sale of Fixed Assets	4,040,111	4,776,373
	Purchase of Investment	17,300	-
	Movement in Short Term Loans and Advances	17,975,812	86,763,835
	Interest Income	14,937,571	22,347,714
	Net Cash (used in) Investing Activities	<u>26,336,014</u>	<u>134,629,476</u>
C)	CASH FLOW FROM FINANCIAL ACTIVITIES:		
	Long Term Borrowings (Net)	(55,697,171)	24,330,739
	Short Term Borrowings (Net)	(77,733,227)	(234,813,710)
	Interest Paid	(212,965,713)	(248,827,096)
	Net Cash (used in) / from financing activities	(346,396,110)	(459,310,068)
	Net Increase in Cash and Cash Equivalents	(39,852,943)	(78,462,458)
	Opening Balance of Cash and Cash Equivalents	124,494,671	202,957,129
	Closing Balance of Cash and Cash Equivalents	<u>84,641,728</u>	<u>124,494,671</u>

As per our report of even date

For Kirti D Shah & Associates
Firm Registration No. 115133W
Chartered Accountants

Kirti D Shah
Proprietor
Membership No 32371

For and on behalf of the Board

Dr. Jimmy Mirchandani
Chairman & Managing Director
DIN 00239021

Dr. Rahul Mirchandani
Executive Director
DIN 00239057

Mrs. Nitya Mirchandani
Director
DIN 06882384

Prof R S S Mani
Director
DIN 00527270

Mr. C. B. Chhaya
Director
DIN 00968966

Mr. B. V. Dholakia
Director
DIN 01871816

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

Mr. Qaiser P. Ansari
Company Secretary
Membership No. ACS-8979

Place : Mumbai.
Date : 28th May, 2015

Notes to the Financial Statements for the year ended 31st March, 2015

1. Corporate Information

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

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

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

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

In June, 2008 the Company incorporated Aries Agro Produce Private Limited as a Subsidiary for carrying business in all kinds of farming etc.

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

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

2. Basis of preparation

The financial statements have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the Accounting Standards, notified by the Companies Accounting Standards Rules, 2014 (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention except in case of assets for which provision for impairment is made and revaluation is carried out.

Summary of significant accounting policies

A. Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

B. Tangible fixed assets

Fixed assets are stated at cost, except for revalued freehold land and buildings, which are shown at estimated replacement cost as determined by valuers less impairment loss, if any, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and other directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Leasehold land on a lease-cum-sale basis are capitalised at the allotment rates charged by the Municipal Authorities.

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

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

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

C. Depreciation on tangible fixed assets

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management, or those prescribed under the Schedule II to the Companies Act, 2013, whichever is higher.

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

The depreciation charge over and above the depreciation calculated on the original cost of the revalued assets is transferred from the revaluation reserve to the statement of profit and loss.

Notes to the Financial Statements for the year ended 31st March, 2015

D. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Computer Software which is not an integral part of the related hardware is classified as an intangible asset.

Intangible assets are amortized on a straight line basis over the estimated useful economic life.

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

E. Borrowing Costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

F. Impairment of tangible and intangible assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss, except for previously revalued tangible fixed assets, where the revaluation was taken to revaluation reserve. In this case, the impairment is also recognized in the revaluation reserve up to the amount of any previous revaluation.

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

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

G. Inventories

Inventories are valued as follows:

- (i) **Raw materials and packing materials** : Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a first-in-first out basis. Customs duty on imported raw materials (excluding stocks in the bonded warehouse) is treated as part of the cost of the inventories.
- (ii) **Work-in-progress and finished goods** : Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty.
- (iii) **Traded goods** : Lower of cost and net realizable value. Cost includes the purchase price and other associated costs directly incurred in bringing the inventory to its present location.
Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.
- (iv) Waste and scrap are not separately valued being insignificant in value

H. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised.

(i) Sale of products:

Revenue from sale of products is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. The Company collects sales tax and value added tax (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year.

Notes to the Financial Statements for the year ended 31st March, 2015

(ii) **Interest Income:**

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

(iii) **Dividend income:**

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

I. Investments

Investments that are readily realisable and intended to be held for not more than twelve months from the date on which such investments are made are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

J. Retirement benefits

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

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. The gratuity benefit of the Company is administered by a trust formed for this purpose through the group gratuity scheme. Actuarial gains and losses for defined benefit plan are recognized in full in the period in which they occur in the statement of profit and loss.

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

The Company treats accumulated leave expected to be carried forward beyond 12 months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

K. Foreign currency translation

The transactions in foreign currency are accounted at the exchange rate i.e. custom rate prevailing on the date of transaction. Exchange fluctuation between the transaction date and settlement date in respect of transactions are transferred to exchange rate difference account and written off to profit & loss account.

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

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

L. Income tax

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred tax liability is recognised for all taxable timing differences. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

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

Notes to the Financial Statements for the year ended 31st March, 2015

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

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

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on "Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961", the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

M. Earnings Per Share (EPS)

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

N. Operating lease

Leases of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under operating leases are recognised as an expense on a straight-line basis over the lease term.

O. Segment reporting

Identification of segments

The Company's operating businesses are organised and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and services to different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operates.

P. Provisions

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

Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

Q. Contingent liability

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

R. Expenditure on new projects and substantial expansion

Expenditure directly relating to construction activity is capitalised. Indirect expenditure incurred during construction period is capitalised as part of the indirect construction cost to the extent to which the expenditure is directly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is not related to the construction activity nor is incidental thereto is charged to the statement of profit and loss. Income earned during construction period is deducted from the total of the indirect expenditure. All direct capital expenditure on expansion is capitalised. As regards indirect expenditure on expansion, only that portion is capitalised which represents the marginal increase in such expenditure involved as a result of capital expansion. Both direct and indirect expenditure are capitalised only if they increase the value of the asset beyond its original standard of performance.

S. Cash and cash equivalents

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

All the accounting policies as mentioned above will be applied at the relevant time.

Notes to the Financial Statements for the year ended 31st March, 2015

3. SHARE CAPITAL

	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
Authorised Share Capital		
15,000,000 Equity Shares of Rs. 10/- each	150,000,000	150,000,000
Total	150,000,000	150,000,000
Issued, Subscribed and Paidup		
13,004,339 Equity Shares of Rs.10/- each.	130,043,390	130,043,390
Total	130,043,390	130,043,390

3.1 66,00,700 Equity Shares out of the Issued, Subscribed and Paidup Share Capital were allotted as fully paidup Bonus Shares since incorporation by capitalisation of Rs. 4.90 Crores from Revaluation Reserve, Rs. 0.91 Crores from Securities Premium Account and Rs. 0.79 Crores from Statement of Profit and Loss.

3.2 17,00,700 Equity Shares out of the Issued, Subscribed and Paidup Share Capital were allotted as fully paid Bonus Shares during the Financial Year 2006-07 by capitalisation of Rs. 0.91 Crores from Securities Premium Account and Rs. 0.79 Crores from Statement of Profit and Loss.

3.3 Reconciliation of Number of Shares Outstanding

Particulars	As at 31st March, 2015 No. of Shares	As at 31st March, 2014 No. of Shares
Equity Shares at the beginning of the year	13,004,339	13,004,339
Add :- Issued during the year	-	-
Less :- Shares cancelled during the year	-	-
Equity Shares at the end of the year	13,004,339	13,004,339

3.4 List of Shareholder's holding more than 5 percent of Shares

Name of the Shareholder	No. of Shares	As at 31st March, 2015 % Held	No. of Shares	As at 31st March, 2014 % Held
(i) Dr. Jimmy Mirchandani	3,524,830	27.11%	3,524,830	27.11%
(ii) Dr. Rahul Mirchandani	2,623,221	20.17%	2,623,221	20.17%
(iii) SBI MF - Magnum Comma Fund	-	-	1,088,944	8.37%

4 RESERVES AND SURPLUS

	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
Securities Premium Reserve		
As per last Balance Sheet	490,037,050	490,037,050
	490,037,050	490,037,050
Revaluation Reserve		
As per last Balance Sheet	70,911,340	73,715,773
Less : Depreciation on Revalued assets	-	2,804,433
WDV of Assets W/off having zero remaining useful life due to change in method of Depreciation in line with Companies Act, 2013	70,911,340	-
	-	70,911,340
General Reserves		
As per last Balance Sheet	87,956,310	77,956,310
Add : Transfer from Profit & Loss A/c	10,000,000	10,000,000
	97,956,310	87,956,310

Notes to the Financial Statements for the year ended 31st March, 2015

	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
Surplus in the Statement of Profit and Loss		
As per last Balance Sheet	624,942,587	550,068,551
Add:- Profit for the year	118,128,342	115,302,889
	<u>743,070,929</u>	<u>665,371,439</u>
Less:- Appropriations		
WDV of Assets W/off having zero remaining useful life due to change in method of Depreciation in line with Companies Act, 2013	68,455,219	-
Transfer to General Reserve	10,000,000	10,000,000
Proposed Dividend on Equity Shares { Dividend Per Share Rs. 2/-(Previous Year Rs 2/-) }	26,008,678	26,008,678
Dividend Distribution Tax	5,325,191	4,420,175
	<u>109,789,088</u>	<u>40,428,853</u>
	<u>633,281,841</u>	<u>624,942,587</u>
Total	<u>1,221,275,200</u>	<u>1,273,847,286</u>

5. LONG TERM BORROWINGS

	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
Secured Term Loans		
Term Loans from Banks	13,438,750	60,581,355
	<u>13,438,750</u>	<u>60,581,355</u>
Un-Secured Term Loans		
Term Loans from Banks	116,244,791	124,799,357
	<u>116,244,791</u>	<u>124,799,357</u>
Total	<u>129,683,541</u>	<u>185,380,712</u>

5.1 Secured Term Loans from Banks referred above to the extent of :

	As at 31-3-2015	As at 31-3-2014
(a) Secured by way of Charge on the Company's Motor Vehicles.	2,794,903	5,385,769
(b) Foreign Currency Term Loan which is secured by way of Equitable Mortgage of Land and Building and personal guarantee of Directors.	-	29,855,624
(c) Secured by way of Primary Charge on all Fixed Assets at Mouje Rajpur, Gujarat and personally guaranteed by Directors.	5,120,985	25,339,962
(d) Secured by way of Primary Charge on Solar Panel at Pashamylaram, Andhrapradesh and personally guaranteed by Directors.	2,274,003	-
(e) Secured by way of Pari Pasu Charge on all Fixed Assets at Deonar, Mumbai and personally guaranteed by Directors.	3,248,858	-
	<u>13,438,750</u>	<u>60,581,355</u>

5.2 Un-Secured Term Loans from Banks are secured by way of Charge on personal Assets of Directors and guaranteed by the Directors.

5.3 Maturity Profile of Secured Term Loans are as set out below :

Particulars	F Y 2015-16*	F Y 2016-17	F Y 2017-18	F Y 2018-19 and Beyond
(a) Term Loans from Banks	58,048,064	11,368,602	1,539,072	531,076

* Refer Note No. 10

5.4 Maturity Profile of Un-Secured Term Loans are as set out below :

Particulars	F Y 2015-16*	F Y 2016-17	F Y 2017-18	F Y 2018-19 and Beyond
(a) Term Loans from Banks	8,554,564	9,639,499	10,862,028	95,743,264

* Refer Note No. 10

Notes to the Financial Statements for the year ended 31st March, 2015

6. DEFERRED TAX LIABILITY

	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
Deferred Tax Liability		
Related to Fixed Assets : Impact of difference between income tax depreciation and depreciation charged for the financial reporting.	40,373,167	65,853,535
Gross Deferred Tax Liability	40,373,167	65,853,535
Deferred Tax Assets		
Disallowance under the Income Tax Act, 1961 U/s 43B	2,821,000	2,231,300
Gross Deferred Tax Asset	2,821,000	2,231,300
Net Deferred Tax Liability	37,552,167	63,622,235

7. LONG TERM PROVISIONS

	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
Employee Related		
Provision for Leave Salary	7,048,585	5,445,280
	7,048,585	5,445,280

8. SHORT TERM BORROWINGS

	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
Secured Borrowings		
Working Capital Facilities from Banks	834,364,649	871,804,011
Un-Secured Borrowings		
Loan from Directors	38,371,576	27,654,556
Security Deposits	75,976,654	126,987,539
Total	948,712,879	1,026,446,105

8.1 Working Capital Facilities from Banks are secured by way of Charge on Company's Inventory, Book Debts, Charge on Land, Building, Plant & Machinery and all other movable fixed assets of the Company and guaranteed by Directors.

8.2 Working Capital Facilities from Banks includes :

	As at 31-3-2015	As at 31-3-2014
a) Loans repayable on demand	-	30,000,000
b) Cash Credit Facilities	728,116,232	687,308,593
c) Buyers Credit	106,248,417	154,495,418
	834,364,649	871,804,011

9. TRADE PAYABLES

	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
Creditors for Goods	180,102,749	145,477,633
Creditors for Expenses	78,331,060	79,497,852
Outstanding Expenses	62,079,005	47,714,483
Total	320,512,813	272,689,967

9.1 There are no Micro and Small Enterprises to whom Company owes dues, which are outstanding for more than 45 days as at 31st March, 2015. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

Notes to the Financial Statements for the year ended 31st March, 2015

10. OTHER CURRENT LIABILITIES

	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
Current Maturities of Long Term Debt (Refer Note No. 5.3 & 5.4)	66,602,628	104,568,619
Interest Accrued but not due on Borrowings	1,047,371	1,410,998
Unclaimed Dividend	2,362,789	1,976,576
Unclaimed Share Application Money	-	580,840
Advance/Credits from Customers	37,114,500	50,103,207
Dues to Directors	26,176,913	22,245,917
Statutory Dues	21,626,709	18,090,861
Other Payables	-	2,199,265
Total	154,930,909	201,176,282

10.1 Current Maturities of Long Term Debt includes amount repayable within one year of :

	As at 31-3-2015	As at 31-3-2014
(a) Secured Term Loans from Banks	58,048,064	96,976,877
(b) Un-Secured Term Loans from Banks	8,554,564	7,591,742
	66,602,628	104,568,619

10.2 Secured Term Loans from Banks included in Current Maturities of Long Term Debt to the extent of :

	As at 31-3-2015	As at 31-3-2014
(a) Secured by way of Charge on the Company's Motor Vehicles.	1,747,323	2,399,248
(b) Foreign Currency Term Loan which is secured by way of Equitable Mortgage of Land and Building and personal guarantee of Directors.	31,128,740	74,577,629
(c) Axis Bank Ltd by way of Primary Charge on all Fixed Assets at Mouje Rajpur, Gujarat and personally guaranteed by Directors.	20,000,000	20,000,000
(d) Canara Bank by way of Primary Charge on Solar Panel at Pashamylaram, Andhrapradesh and personally guaranteed by Directors.	2,129,538	-
(e) Canara Bank by way of Pari Pasu Charge on all Fixed Assets at Deonar, Mumbai and personally guaranteed by Directors.	3,042,462	-
	58,048,064	96,976,877

10.3 Un-Secured Term Loans from Banks included in Current Maturities of Long Term Debt to the extent of Rs. 85,54,564/- are secured by way of Charge on personal Assets of Directors and guaranteed by the Directors.

10.4 Unclaimed Dividend do not include any amounts, due and outstanding, to be credited to Investor Education and Protection Fund.

10.5 Statutory Dues includes Indirect Taxes, Tax Deducted at Source, Bonus, ESIC, Provident Fund and Profession Tax.

11. SHORT TERM PROVISIONS

	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
Employee Related		
Provision for Gratuity	9,632,309	-
Provision for Leave Salary	1,344,052	1,119,298
Other Provisions		
Proposed Dividend	26,008,678	26,008,678
Dividend Distribution Tax	5,325,191	4,420,175
Provision for Income Tax (Net of Payments)	51,342,993	36,063,874
Provision for Wealth Tax	150,000	375,000
Total	93,803,224	67,987,024

Notes to the Financial Statements for the year ended 31st March, 2015

(Amount in Rupees)											
Schedule of Fixed Assets for the year ended 31st March, 2015											
Sr No	Particulars	Gross Block				Depreciation Block				Net Block	
		Balance as on 31-Mar-14	Additions during the Year	Deductions During the Year	Balance as on 31-Mar-15	Balance as on 31-Mar-14	Provided during the Year	On Revaluations	Amount to be charged from Opening Retained Earnings as on 01/04/2014	Deductions during the Year	Total as on 31-Mar-15
	Tangible Assets										
1	Land	13,456,619	-	-	13,456,619	-	-	-	-	-	-
2	Factory Building	291,507,859	15,073,229	-	306,581,088	51,484,497	3,485,955	-	136,896,216	-	191,866,669
3	Residential Flat	350,000	-	-	350,000	98,782	5,565	-	-	-	104,347
4	Plant & Machinery	62,468,788	1,863,895	185,300	64,147,383	21,737,212	4,738,182	-	-	69,785	26,405,608
5	Electrical Installations	9,208,364	8,344,490	-	17,552,854	2,099,599	1,276,219	-	18,633	-	3,394,451
6	Laboratory Equipments	2,160,762	59,131	-	2,219,893	755,435	304,050	-	37,988	-	1,097,474
7	Office Equipments	5,163,579	268,297	-	5,431,876	2,187,944	1,217,081	-	977,621	-	4,382,646
8	Furniture & Fixtures	18,347,203	154,964	1,200	18,500,967	6,159,097	2,011,571	-	66,300	248	8,236,720
9	Air Conditioners	3,147,446	86,800	-	3,234,246	1,841,548	246,868	-	700,388	-	2,788,784
10	Computer	7,357,632	271,135	12,800	7,615,967	6,251,794	-	-	539,131	12,160	6,778,765
11	Vehicles	41,625,997	89,430	13,391,634	28,323,793	17,022,460	4,167,007	-	266	6,921,920	14,267,811
12	Commercial Vehicles	5,457,263	-	290,136	5,167,127	2,695,247	719,706	-	-	225,701	3,189,252
	Sub - Total	460,251,511	26,211,371	13,881,070	472,581,813	112,333,615	18,172,205	-	139,236,522	7,229,814	262,512,526
	Previous Year Rs.	469,894,201	6,870,373	16,513,063	460,251,511	104,315,281	11,835,235	2,804,433	-	6,621,334	112,333,615
	Intangible Assets										
13	Computer Software	17,654,488	4,410	-	17,658,898	16,640,196	-	-	130,037	-	16,770,233
	Sub - Total	17,654,488	4,410	-	17,658,898	16,640,196	-	-	130,037	-	16,770,233
	Previous Year Rs.	17,648,083	6,405	-	17,654,488	13,778,812	2,861,384	-	-	-	16,640,196
14	Capital Work in Progress	-	-	-	-	-	-	-	-	-	-
	Sub - Total	-	-	-	-	-	-	-	-	-	-
	Previous Year Rs.	-	-	-	-	-	-	-	-	-	-
	Grand Total	477,905,999	26,215,781	13,881,070	490,240,711	128,973,811	18,172,205	-	139,366,559	7,229,814	279,282,760
	Previous Year Rs.	487,542,284	6,876,778	16,513,063	477,905,999	118,094,093	14,696,619	2,804,433	-	6,621,334	128,973,811

12.1 The Gross Block of Fixed Assets includes Rs. 17,60,00,000/- (Previous Year Rs. 17,60,00,000/-) on account of revaluation of Building carried out in F Y 1994-95.

12.2 Capital Work in Progress represents Advance for Existing Office Building renovation. On completion the Capital Work in Progress will be allocated to relevant Assets.

Notes to the Financial Statements for the year ended 31st March, 2015

13. NON-CURRENT INVESTMENTS

	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
Trade Investments		
In Equity Shares of Indian Subsidiary Companies - Unquoted, Fully paidup		
(a) (10,000 Equity Shares @ Rs. 10/- per Share) - Aries Agro Care Pvt Ltd	100,000	100,000
(b) (10,000 Equity Shares @ 10/- per Share) - Aries Agro Equipments Pvt Ltd	100,000	100,000
(c) (7,500 Equity Shares @ 10/- per Share) - Aries Agro Produce Pvt Ltd	75,000	75,000
In Equity Shares of Foreign Subsidiary Companies - Unquoted, Fully paidup		
(a) 1,125 Equity Shares of AED 100/- each- Golden Harvest Middle East FZC	1,227,375	1,227,375
(b) Shareholders Current A/c - Golden Harvest Middle East FZC	201,261,625	201,261,625
	202,764,000	202,764,000
Other Investments		
In Government Securities - Unquoted		
National Savings Certificate	-	17,300
(Previous Year Deposited with BMC for plot at Deonar, Mumbai and for S.S.I. Registration deposited with Industrial Department, Hyderabad)		
	-	17,300
Total	202,764,000	202,781,300

- 13.1 Aries Agro Care Pvt. Ltd. has been incorporated as a wholly owned subsidiary on 5th January, 2007 with the Registrar of Companies, Maharashtra, Mumbai. to carry out the business in all branches of agro protection, agro care, etc. The Registered Office of the Company is located at "Aries House, Plot no 24, Deonar, Govandi (E), Mumbai – 400 043".
- 13.2 Aries Agro Equipments Pvt. Ltd. has been incorporated as a wholly owned subsidiary on 12th January, 2007 with the Registrar of Companies, Maharashtra, Mumbai. to carry out the business of manufacturing, repair, etc. of all types of rural and farm equipments, machinery, etc. The Registered Office of the Company is located at "Aries House, Plot no 24, Deonar, Govandi (E), Mumbai – 400 043".
- 13.3 Golden Harvest Middle East FZC was incorporated on 31st December, 2004 as a Free Zone Company with limited liability to carry on the activities of manufacturing Chemical Fertilizer and exporting all the necessities, material and acts related to its natural work or needed to the above mentioned works. In the year 2008 it became 75% subsidiary of the Company, Aries Agro Limited. The Registered Office of the Company is located at "SAIF Zone (Emirates of Sharjah)". The said Company has no accumulated losses as at 31st March, 2015.
- 13.4 Aries Agro Produce Pvt. Ltd. has been incorporated on 20th June, 2008 as 75% owned subsidiary with the Registrar of Companies, Maharashtra, Mumbai. to carry out the business of all kinds of Farming, agriculture, horticulture etc. and to plant, grow, cultivate and in any other way deal in farming and agricultural produce. The registered office of the Company is located at "Aries House, Plot no 24, Deonar, Govandi (E), Mumbai – 400 043".
- 13.5 Losses of Subsidiaries not provided in accounts :

	Year Ended 31st March, 2015		Year Ended 31st March, 2014	
	Accumulated	Current Year	Accumulated	Current Year
a) Aries Agro Care Pvt. Ltd.	(2,697,092)	(23,120)	(2,673,971)	(90,363)
b) Aries Agro Produce Pvt. Ltd.	(272,778)	(19,610)	(253,168)	(24,084)
		(42,730)		(114,447)

14. INVENTORIES

	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
(At lower of cost or Net Realisable Value)		
(As Certified and valued by the Management)		
Raw Materials	259,416,461	258,678,889
Finished Goods	550,417,940	539,965,562
Stock-in-Trade (in respect of Goods acquired for Trading)	96,199,234	104,791,246
Packing Materials	90,815,670	91,328,612
Total	996,849,305	994,764,309

Notes to the Financial Statements for the year ended 31st March, 2015

15. TRADE RECEIVABLES

	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
(Unsecured - Considered Good)		
Outstanding for a period exceeding six months (from Due Date of Payment)	271,261,010	275,180,875
Others	705,476,629	675,316,994
Total	976,737,639	950,497,869

15.1 Trade Receivables includes Amount due from Related Parties

Particulars	Maximum Balance during the year Rupees	As at 31st March, 2015 Rupees	Maximum Balance during the year Rupees	As at 31st March, 2014 Rupees
(a) Amarak Chemicals FZC	17,382,958	17,382,958	9,715,829	9,715,829
		17,382,958		9,715,829

16. CASH AND CASH EQUIVALENTS

	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
Balance with Scheduled Banks in Current Accounts	40,784,038	84,329,267
Cash on hand	420,861	429,278
Balance with Scheduled Banks in Fixed Deposit Accounts	43,436,829	39,736,127
Total	84,641,728	124,494,671

16.1 Balance with Banks includes Unclaimed Dividend of Rs. 23.63 Lacs and Unclaimed Share Application Money of Rs. NIL Lacs (Previous Year Unclaimed Dividend Rs. 19.77 Lacs and Unclaimed Share Application Money Rs. 5.81 Lacs).

16.2 The Fixed Deposits are kept as Margin against various Credit Limits / Guarantees.

17. SHORT TERM LOANS AND ADVANCES

	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
Loans and Advances to Related Parties (Refer Note No. 27)	130,644,669	184,184,336
Balances with Customs, Central Excise Authorities	6,524,998	6,524,998
Deposits	7,371,449	6,379,120
Others	334,151,017	299,579,492
Total	478,692,134	496,667,946

Notes to the Financial Statements for the year ended 31st March, 2015

17.1 Loans and Advances in the nature of Loans given to Subsidiaries and Associates :

Particulars		Maximum Balance during the year Rupees	As at 31st March, 2015 Rupees	Maximum Balance during the year Rupees	As at 31st March, 2014 Rupees
Subsidiary Companies					
(a)	Amarak Chemicals FZC Subsidiary	30,324,780	27,595,098	-	-
(b)	Aries Agro Care Pvt Ltd Subsidiary	5,812,435	5,812,435	5,804,935	5,804,935
(c)	Aries Agro Equipments Pvt Ltd Subsidiary	3,550,259	3,550,259	4,736,979	3,550,259
(d)	Aries Agro Produce Pvt Ltd Subsidiary	65,460	65,460	65,460	65,460
(e)	Golden Harvest Middle East FZC Subsidiary	178,876,485	93,621,418	232,390,900	174,763,682
			130,644,669		184,184,336

- a) All the above Loans and Advances are interest free loans except Loan granted to Golden Harvest Middle East FZC.
- b) Receipt of the principal amount of the above loans are regular.
- c) Other terms and conditions on which such loans and advances are given to the Companies are not prejudicial to the interest of the Company.

17.2 Other Advances includes :

Particulars	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
a) Advance to Suppliers	326,370,848	293,030,201
b) Advance to Staff against expenses	3,235,070	975,712
c) Imprest Advance for Vehicle Expenses	172,450	167,500
d) Interest Accrued but not due	1,713,025	2,120,590
e) Prepaid Expenses	2,154,774	2,907,426
f) Staff Loans	504,851	378,063
	334,151,017	299,579,492

18. REVENUE FROM OPERATIONS

	Year Ended 31 March 2015 Rupees	Year Ended 31 March 2014 Rupees
Sales of Products		
Manufactured	1,571,187,685	1,411,941,627
Traded	820,137,944	963,331,195
	2,391,325,629	2,375,272,821
Less:-Excise Duty	50,207,056	46,622,795
Total	2,341,118,574	2,328,650,026

Notes to the Financial Statements for the year ended 31st March, 2015

18.1 Particulars of Sale of Products :

Particulars	As at 31st March, 2015 Rupees		As at 31st March, 2014 Rupees	
Manufactured Products				
(a) Agricultural Mirconutrient and Speciality Fertilizers	1,336,349,384		1,191,648,688	
(b) Insecticides and Pesticides	227,376,208		209,342,255	
(c) Animal Feed and Feed Concentrates	489,910		3,126,773	
(d) Others	6,972,182		7,823,911	
	<u>1,571,187,685</u>		<u>1,411,941,627</u>	
Less :- Excise Duty	50,207,056	1,520,980,630	46,622,795	1,365,318,831
Traded Products				
(a) Agricultural Mirconutrient and Speciality Fertilizers	600,440,013		797,584,459	
(b) Insecticides and Pesticides	426,556		5,887,433	
(c) Agri Equipments	26,878,837		17,039,195	
(d) Others	192,392,538	820,137,944	142,820,108	963,331,195
Total		<u>2,341,118,574</u>		<u>2,328,650,026</u>

19. OTHER INCOME

	Year Ended 31 March 2015 Rupees	Year Ended 31 March 2014 Rupees
Interest Income on :		
Bank Fixed Deposits	3,574,525	8,000,178
Others	11,363,047	14,347,536
Other Non-Operating Income		
Misc. / Other Income	122,407	24,975
Re-Processing Charges	168,429	250,219
Total	<u>15,228,407</u>	<u>22,622,907</u>

20. CONSUMPTION OF MATERIALS

	Year Ended 31 March 2015 Rupees	Year Ended 31 March 2014 Rupees
1) Opening Stock of Raw Materials	258,678,889	303,240,310
Add : Purchases	627,884,704	506,276,538
	<u>886,563,593</u>	<u>809,516,848</u>
Less : Closing Stock of Raw Materials	259,416,461	258,678,889
Raw Material Consumed	<u>627,147,132</u>	<u>550,837,959</u>
2) Opening Stock of Traded Products	104,791,246	92,712,714
Add : Purchases	226,471,895	330,605,191
	<u>331,263,141</u>	<u>423,317,905</u>
Less : Closing Stock of Traded Products	96,199,234	104,791,246
Cost of Goods Sold	<u>235,063,907</u>	<u>318,526,659</u>
3) Opening Stock of Packing Materials	91,328,612	101,343,287
Add : Purchases	137,838,570	118,034,239
	<u>229,167,182</u>	<u>219,377,526</u>
Less : Closing Stock of Packing Materials	90,815,670	91,328,612
Packing Materials Consumed	<u>138,351,512</u>	<u>128,048,914</u>
Consumption of Materials (1+2+3)	<u>1,000,562,552</u>	<u>997,413,531</u>

Notes to the Financial Statements for the year ended 31st March, 2015

21. (INCREASE) / DECREASE IN INVENTORIES OF FINISHED GOODS

	Year Ended 31 March 2015 Rupees	Year Ended 31 March 2014 Rupees
Inventories at the beginning of the year		
Finished Goods	539,965,562	526,682,427
	539,965,562	526,682,427
Inventories at the end of the year		
Finished Goods	550,417,940	539,965,562
(Increase) / Decrease in Inventories	(10,452,378)	(13,283,135)

22. EMPLOYEE BENEFIT EXPENSES

	Year Ended 31 March 2015 Rupees	Year Ended 31 March 2014 Rupees
Salary and Wages	190,445,626	183,171,352
Directors Remuneration	17,092,604	20,578,204
Contribution to Provident & Other Funds	29,777,682	20,837,500
Staff Welfare Expenses	7,902,829	6,197,928
Total	245,218,741	230,784,984

22.1 As per Accounting Standard 15 "Employee Benefits", the disclosures as defined in the Accounting Standard are given below :

Particulars	As at 31st March, 2015 Rupees	As at 31st March, 2014 Rupees
Defined Contribution Plans		
Contribution to Defined Contribution Plans, recognised as expense for the year is as under :		
Employer's Contribution to Provident Fund	15,052,323	15,368,290
All Permanent Employees having served from the 1st day of their employment are entitled to the benefits of the contribution to Provident Fund.		
The Company contributes specified percentage of the salary paid to Employees to the Defined Fund.		
Defined Benefit Plan		
All Employees who have completed five years or more of service are entitled to benefits of Gratuity. The Company has the Employee's Gratuity scheme managed by Life Insurance Corporation of India which is a Defined Benefits Plan. The present value of obligation is determined based on actuarial valuation. The obligation for Leave Encashment is recognised in the same manner as Gratuity.		

I Reconciliation of Opening and Closing balances of Defined Benefit Obligation

	Gratuity		Leave Encashment	
	2014-15	2013-14	2014-15	2013-14
Defined Benefit obligation at beginning of the year	44,415,456	43,078,325	6,564,578	6,982,548
Current Service Cost	3,283,892	2,923,737	1,631,033	1,153,081
Interest Cost	3,553,236	3,446,266	607,223	558,604
Actuarial (gain) / loss	6,281,442	(19,739)	(385,593)	(1,578,845)
Benefits paid	(7,683,578)	(5,013,133)	(117,740)	(550,810)
Defined Benefits obligation at year end	49,850,448	44,415,456	8,299,501	6,564,578

Notes to the Financial Statements for the year ended 31st March, 2015

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

	Gratuity	
	2014-15	2013-14
Fair value of plan assets at beginning of the year	41,320,730	38,408,705
Expected return on plan assets	3,486,261	3,258,848
Actuarial gain / (loss)	-	-
Contributions	5,655,057	4,666,310
Benefits paid	(7,683,578)	(5,013,133)
Fair value of Plan assets at year end	42,778,470	41,320,730
Actual return on plan assets	3,486,261	3,258,848

III Reconciliation of fair value of assets and obligations

	Gratuity		Leave Encashment	
	2014-15	2013-14	2014-15	2013-14
Fair value of plan assets	42,778,470	41,320,730	-	-
Present value of obligation	49,850,448	44,415,456	8,299,501	6,564,578
Amount recognised in Balance Sheet	(7,071,978)	(3,094,726)	8,299,501	6,564,578

IV Expenses recognised during the year

	Gratuity		Leave Encashment	
	2014-15	2013-14	2014-15	2013-14
Current Service Cost	3,283,892	2,923,737	1,631,033	1,153,081
Interest Cost	3,553,236	3,446,266	607,223	558,604
Expected return on Plan assets	(3,486,261)	(3,258,848)	-	-
Actuarial (gain) / loss	6,281,442	(19,739)	(385,593)	(1,578,845)
Net Cost	9,632,309	3,091,416	1,852,663	132,840

V Investment details :

	% Invested	
	2014-15	2013-14
Insurance Policies	100.00	100.00
	100.00	100.00

VI Actuarial assumptions

	Gratuity		Leave Encashment	
	2014-15	2013-14	2014-15	2013-14
Mortality Table (LIC)	2006-08 (Ultimate)	2006-08 (Ultimate)	2006-08 (Ultimate)	2006-08 (Ultimate)
Discount rate (per annum)	8%	8%	7.75%	9.25%
Expected rate of return on plan assets (per annum)	8%	8%		
Rate of escalation in salary (per annum)	5%	5%	7.00%	7.00%

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of Plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for plan assets management.

Notes to the Financial Statements for the year ended 31st March, 2015

23. FINANCE COSTS

	Year Ended 31 March 2015 Rupees	Year Ended 31 March 2014 Rupees
Interest Expense	181,751,660	197,062,094
Other Borrowing Costs	31,214,052	30,614,698
Total	212,965,713	227,676,792

24. OTHER EXPENSES

	Year Ended 31 March 2015 Rupees	Year Ended 31 March 2014 Rupees
Manufacturing Expenses		
Consumption of Stores & Spare Parts	1,360,444	994,055
Power & Fuel	19,939,384	17,784,014
Rent, Rates & Taxes	5,836,193	5,463,353
Repairs to Building	1,788,660	1,163,542
Repairs to Machinery	1,837,162	2,172,888
Miscellaneous Expenses	130,387,169	117,281,678
	161,149,012	144,859,530
Selling & Distribution Expenses		
Advertisement & Publicity	64,061,420	97,571,575
Discount and Rebate	254,695,119	187,438,783
Freight & Delivery Expenses	81,037,792	90,377,201
Mobile Selling Expenses	886,171	1,238,511
Selling Expenses	7,426,641	8,739,494
Travelling Expenses	67,065,502	60,906,064
	475,172,645	446,271,627
Other Administration Expenses		
Audit Fees	2,471,920	1,685,400
Conveyance & Motor Car Expenses	25,555,910	25,644,459
Corporate Social Responsibility (CSR) Expenses	3,434,687	-
Electricity	1,037,774	1,011,590
General Expenses	4,550,899	3,173,966
Insurance	2,779,803	3,495,136
Legal & Professional Fees	9,226,981	12,239,956
Loss on Sale of Asset	2,610,191	5,115,356
Postage & Telephones	7,247,103	7,801,648
Printing & Stationery	5,258,612	5,283,560
Rent, Rates & Taxes	35,409,062	30,882,233
Repairs & Maintenance	1,778,227	1,272,777
Net Gain / Loss on Foreign Currency Transaction and Translation	1,284,773	21,150,304
	102,645,941	118,756,386
Total	738,967,597	709,887,543

Notes to the Financial Statements for the year ended 31st March, 2015

Payment to Auditors as :

Particulars	Year Ended 31st March, 2015 Rupees	Year Ended 31st March, 2014 Rupees
(a) Statutory Audit Fees	2,471,920	1,685,400
(b) Tax Audit Fees	269,664	168,540
(c) Taxation Matters	230,338	117,978
(d) Certification and Consultancy Fees	275,282	157,304
	3,247,204	2,129,222

25. EARNINGS PER SHARE (EPS)

	Year Ended 31 March 2015 Rupees	Year Ended 31 March 2014 Rupees
(i) Net Profit After Tax (PAT) as per Statement of Profit and Loss attributable to Equity Shareholders	118,128,342	115,302,889
(ii) Weighted Average number of Equity Shares used as denominator for calculating EPS	13,004,339	13,004,339
(iii) Basic & Diluted Earnings per Share (Rs.)	9.08	8.87
(iv) Face Value per Equity Share (Rs.)	10	10

26.1 The Company's significant leasing arrangements are in respect of Operating Leases for Vehicles. These leasing arrangements which are not non-cancellable range upto 60 months generally and are renewable by mutual consent on mutually agreeable terms. The aggregate Lease Rentals payable are charged as "RENT" in Other Administrative Expenses under Note 24.

With regard to non-cancellable Operating Leases for Vehicles, the future minimum lease rentals are as follows.

Particulars	Total Minimum Lease Payments outstanding as at 31st March, 2015 Rupees	Total Minimum Lease Payments outstanding as at 31st March, 2014 Rupees
(a) Within One year	13,945,752	9,330,647
(b) Later than One year and not later than Five years	9,448,336	1,939,976
(c) Later than Five years	-	-
	23,394,088	11,270,623

The above lease rentals are inclusive of VAT, Insurance and Other Charges

26.2 Lease payments recognised in the statement of Profit and Loss Account :

Particulars	Year Ended 31st March, 2015 Rupees	Year Ended 31st March, 2014 Rupees
(a) Minimum Lease Payments (Inclusive of VAT, Insurance and Other Charges)	22,797,591	20,184,317

26.3 General description of Lease terms :

- (a) Lease Rentals are charged on the basis of agreed terms.
- (b) Assets are taken on Lease for a period upto 60 months.

Notes to the Financial Statements for the year ended 31st March, 2015

27. RELATED PARTY DISCLOSURES

Related Party Disclosures as per Accounting Standard - 18 issued by the Institute of Chartered Accountants of India

Part - A					
Details of Related Parties as per AS - 18					
Sr. No.	Nature of Relationship	Name of the Related Party		Remarks	
1	Subsiriary	a)	Aries Agro Care Pvt Ltd	a)	Date of Incorporation 5th January, 2007
		b)	Aries Agro Equipments Pvt Ltd	b)	Date of Incorporation 12th January, 2007
		c)	Aries Agro Produce Pvt Ltd	c)	Date of Incorporation 20th June, 2008
		d)	Golden Harvest Middle East FZC	d)	Date of Incorporation 31st October, 2004
		e)	Amarak Chemicals FZC	e)	Step Down Subsidiary Date of Incorporation 9th September, 2007
2	Enterprises over which the Key Management Persons has significant Influence of Control	a)	Aries Marketing Ltd.		
		b)	Blossoms International Ltd.		
		c)	Sreeni Agro Chemicals Ltd.		
		d)	Aries East West Nutrients Pvt. Ltd.		
3	Key Management Personnel	a)	Dr. Jimmy Mirchandani	a)	Chairman & Managing Director
		b)	Dr. Rahul Mirchandani	b)	Executive Director
		c)	Mrs. Nitya Mirchandani	c)	Director
4	Relatives of Key Management Personnel	Name of the Key Management Personnel		Name of the Relative	Relationship
		a)	Dr. Jimmy Mirchandani	a) Late Mrs. Sarasa Mirchandani	Spouse
				b) Mr. Akshay Mirchandani	Son
				c) Mr. Amol Mirchandani	Son
				d) Dr. Rahul Mirchandani	Brother
		b)	Dr. Rahul Mirchandani	a) Mrs. Nitya Mirchandani	Spouse
				b) Master Armaan Mirchandani	Son
				c) Dr. Jimmy Mirchandani	Brother
		c)	Mrs. Nitya Mirchandani	a) Dr. Rahul Mirchandani	Spouse
				b) Master Armaan Mirchandani	Son
				e)	Son

Part - B				
Details of Transactions with Related Parties				
Sr. No.	Category	Nature of Service	Year Ended 31 March 2015 Rupees	Year Ended 31 March 2014 Rupees
1	Subsidiary	Finance - Loans / Payments Given	7,500	852,973
		Finance - Loans / Payments Received	80,005,351	39,817,077
		Sale of Goods	7,153,345	44,797,533
		Purchases Made	132,733,291	121,928,456
		Receipts from Sale of Goods	-	41,299,085
		Payments (Including Advance) for Goods	148,240,592	62,488,930
		Interest on Loan	2,688,956	3,731,699
2	Enterprises over which Key Management Personnel has significant influence or control	Finance - Loans / Payments Given	71,409	125,596
		Legal & Professional Fees	50,937	146,068
3	Key Management Personnel	Finance - Loans / Payments Given	10,516,068	4,145,445
		Finance - Loans / Payments Received	21,233,089	31,800,000
		Directors Remuneration Paid	16,587,604	19,603,204

Notes to the Financial Statements for the year ended 31st March, 2015

Part - C				
Balance Outstanding with Related Parties				
Category	Nature of Outstanding	Name of the Party	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
Subsidiary	Loans & Advances	Aries Agro Care Pvt. Ltd.	5,812,435	5,804,935
		Aries Agro Equipments Pvt. Ltd.	3,550,259	3,550,259
		Aries Agro Produce Pvt. Ltd.	65,460	65,460
		Golden Harvest Middle East FZC	93,621,418	174,763,682
		Amarak Chemicals FZC	27,595,098	-
	Creditors for Goods	Golden Harvest Middle East FZC	27,068,942	26,161,673
		Aries Agro Equipments Pvt. Ltd.	11,806,960	11,806,960
	Share Investments	Golden Harvest Middle East FZC	202,489,000	202,489,000
Key Management Personnel	Sundry Debtors	Amarak Chemicals FZC	17,382,958	9,715,829
		Dues to Directors		
		Dr. Jimmy Mirchandani	10,023,615	7,692,527
		Dr. Rahul Mirchandani	16,153,298	14,553,390

28. Current Assets, Loans & Advances and Provisions

- The current assets and loans and advances are approximately of the value stated, if realized in the ordinary course of business.
- The provision for all known liabilities is not in excess of the amounts reasonably necessary.
- The balances of Sundry Creditors, Sundry Debtors and Loans and Advances are subject to confirmation.

29. Contingent Liability not provided for in the accounts:

- Letters of credit / guarantees given / Bills discounting Rs. 5,392.48 Lacs
- Claims against company not acknowledged as debts Rs. 78.55 Lacs which includes tax dues disputed as Rs. 2.68 Lacs towards sales Tax, Rs. 62.78 Lacs towards Income Tax and includes Rs. 13.09 Lacs pertaining to pending suits regarding quality issue.
- The Commissioners of Central Excise, Mumbai and Hyderabad had issued Show Cause-Cum-Demand Notices for levy of Excise Duty on clearances of Micronutrients. The Commissioner of Central Excise, Mumbai, vide his Order dated 27th November, 2006 and Commissioner of Central Excise, Hyderabad, vide his Order dated 30th November 2005 had cancelled these demands in respect of clearance upto June, 2006. The Department has preferred appeals against the said orders. The Department has issued Show Cause Notices to the Company in respect of clearances thereafter. Though, in view of the Orders referred to above and the pending appeals, no action has been taken. The Company expects no liability in this regard.

30. Segmental Reporting as per Accounting Standard - 17

The Company has only One business Segment "Agro Inputs" as its primary segment and hence disclosure of segment-wise information is not required under Accounting Standard 17 'Segmental Information' notified pursuant to the Companies (Accounting Standard) Rules, 2006 (as amended).

Supplementary Profit and Loss Data		Year Ended 31st March 2015	Year Ended 31st March 2014
(a) Value of Imports calculated on CIF basis (on accrual basis) :		30,34,34,177	37,78,26,221
(b) Earnings in Foreign Currency (on accrual basis)			
F.O.B. Value of export sales		1,12,42,850	4,48,35,770
Interest on ECB Loans		23,69,299	36,54,496
(c) Expenditure in Foreign Currency (on accrual basis)			
Foreign Traveling Expenses		39,97,293	35,29,863
Interest on ECB Loans		23,69,299	36,54,496
(d) Details of Consumption of Raw Materials :			
Particulars	Year Ended 31st March 2015	Year Ended 31st March 2014	
Imported	37,38,20,979	59.61%	36,85,66,232
Indigenous	25,33,26,153	40.39%	18,22,71,727
Total	62,71,47,132	100.00%	55,08,37,959
			66.91%
			33.09%
			100.00%

32. Derivative Instrument

The Company has entered into hedging contract in respect of Interest rate on ECB Loans. The profit and loss arising on account of such hedging contract is accounted as and when payment of interest falls due. The Company recovers such costs from its Subsidiary and hence there is no effect on profit and loss of the Company.

33. The Company has acquired a vehicle in the name of the Director which is yet to be transferred in the name of the Company. The Company has all the ownership rights and Depreciation thereon has been charged at the rates prescribed in the Schedule II to the Companies Act, 2013.

34. Previous Years figures have been regrouped wherever necessary so as to make them comparable with the current year.

As per our report of even date

For Kirti D Shah & Associates
Firm Registration No. 115133W
Chartered Accountants

Kirti D Shah
Proprietor
Membership No 32371

Place : Mumbai.
Date : 28th May, 2015

For and on behalf of the Board

Dr. Jimmy Mirchandani
Chairman & Managing Director
DIN 00239021

Dr. Rahul Mirchandani
Executive Director
DIN 00239057

Mrs. Nitya Mirchandani
Director
DIN 06882384

Prof R S S Mani
Director
DIN 00527270

Mr. C. B. Chhaya
Director
DIN 00968966

Mr. B. V. Dholakia
Director
DIN 01871816

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

Mr. Qaiser P. Ansari
Company Secretary
Membership No. ACS-8979

Statement Pursuant to first proviso to sub-section (3) of section 129 the Companies Act 2013, read with rule 5 of Companies (Account) Rules, 2014 in the prescribed Form AOC - 1 relating to subsidiary companies

(Rupees in Lacs)

Sr. No.	Name of the Subsidiary Company	Reporting Currency	Exchange Rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit Before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend	% of Share-holding	Country
1	Aries Agro Care Pvt. Ltd.	INR	1.00	1.00	(26.97)	33.88	33.88	-	-	(0.23)	-	(0.23)	-	100 %	India
2	Aries Agro Equipments Pvt. Ltd.	INR	1.00	1.00	77.43	119.47	119.47	-	-	(0.31)	-	(0.31)	-	100 %	India
3	Aries Agro Produce Pvt. Ltd.	INR	1.00	1.00	(2.73)	-	-	-	-	(0.20)	-	(0.20)	-	75 %	India
4	Golden Harvest Middle East FZC	AED	17.01	25.52	3,742.58	12,739.52	12,739.52	5,324.83	3,830.78	328.00	-	328.00	-	75 %	UAE
5	Amarak Chemical FZC	AED	17.01	510.37	901.26	12,868.52	12,868.52	-	4,677.25	348.59	-	348.59	-	75 % held by Golden Harvest Middle East FZC	UAE

As per our report of even date

For Kirti D Shah & Associates
Firm Registration No. 115133W
Chartered Accountants

Kirti D Shah
Proprietor
Membership No 32371

For and on behalf of the Board

Dr. Jimmy Mirchandani
Chairman & Managing Director
DIN 00239021

Dr. Rahul Mirchandani
Executive Director
DIN 00239057

Mrs. Nitya Mirchandani
Director
DIN 06882384

Prof R S S Mani
Director
DIN 00527270

Mr. C. B. Chhaya
Director
DIN 00968966

Mr. B. V. Dholakia
Director
DIN 01871816

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

Mr. Qaiser P. Ansari
Company Secretary
Membership No. ACS-8979

Place : Mumbai.
Date : 28th May, 2015

Part "B": Associates and Joint Ventures
Statement pursuant to section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(Rupees in Lacs)

Sr. No.	Name of Associates / Joint Ventures	Aries Marketing Ltd.	Blossoms International Ltd.	Sreeni Agro Chemicals Ltd.	Aries East West Nutrients Pvt. Ltd.
1	Latest Audited Balance Sheet date	6th August, 2015	6th August, 2015	6th August, 2015	6th August, 2015
2	Share of Associates / Joint Ventures held by the Company on the year end				
	No.	NIL	NIL	NIL	NIL
	Amount of Investment in Associate / Joint Venture	NIL	NIL	NIL	NIL
	Extend of Holding %	NIL	NIL	NIL	NIL
3	Description of how there is significant influence	NA	NA	NA	NA
4	Reason why the Associate / Joint Venture is not Consolidated	Not a Subsidiary	Not a Subsidiary	Not a Subsidiary	Not a Subsidiary
5	Networth attributable to Shareholding as per latest audited Balance Sheet	NIL	NIL	NIL	NIL
6	Profit / (Loss) for the year				
	i. Considered in Consolidation	NIL	NIL	NIL	NIL
	ii. Not considered in Consolidation	(0.36)	NIL	(6.59)	(0.04)

1. Names of associates or joint ventures which are yet to commence operations.

2. Names of associates or joint ventures which have been liquidated or sold during the year

Note: This Form is to be certified in the same manner in which the Balance Sheet is to be certified.

As per our report of even date
For Kirti D Shah & Associates
Firm Registration No. 115133W
Chartered Accountants

Kirti D Shah
Proprietor
Membership No 32371

For and on behalf of the Board
Dr. Jimmy Mirchandani
Chairman & Managing Director
DIN 00239021

Dr. Rahul Mirchandani
Executive Director
DIN 00239057

Mrs. Nitya Mirchandani
Director
DIN 06882384

Prof R S S Mani
Director
DIN 00527270

Mr. C. B. Chhaya
Director
DIN 00968966

Mr. B. V. Dholakia
Director
DIN 01871816

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

Mr. Qaiser P. Ansari
Company Secretary
Membership No. ACS-8979

Place : Mumbai.
Date : 11th August, 2015

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF

ARIES AGRO LIMITED

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

We have audited the accompanying consolidated financial statement of **ARIES AGRO LIMITED** ("the Company"), its subsidiaries and jointly controlled entities (collectively referred as the "the Group") which comprise the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

MANAGEMENT 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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of the appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit 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 financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an

opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. 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 consolidated 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 consolidated financial statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on the financial statements / consolidated financial statements of the subsidiaries and associates as noted below, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2015;
- (b) In the case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date; and
- (c) In the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

OTHER MATTERS

Financial Statements/consolidated financial statements of certain subsidiaries which reflect total asset of Rs. 1,53,35,168/- as at 31st March, 2015 total revenue of Rs. 2,272/- and net cash flow amounting to Rs. 1,00,274/- for the year then ended, have been audited by us and financial statements of an associate in which the share of Loss of the group is Rs. 73,373/- have been audited by us.

We did not audit the financial statements / consolidated financial statements of certain subsidiaries whose financial statements reflect total asset of AED 1,0,38,42,661 as at 31st March, 2015 total revenues of AED 5,04,46,205 and net cash flow amounting to AED 3,59,966 for the year ended on that date and financial statements of an associate in which the share of profit of the group is AED 35,37,201. This financial statements / consolidated financial statements have been audited by other auditors whose report have been furnished to us and our opinion is based solely on the reports of the other auditors.

Our opinion is not qualified in respects of other matters.

For Kirti D. Shah & Associates
Chartered Accountants
Firm Registration No. 115133W

Kirti D. Shah
Proprietor
Membership No.32371

Place : MUMBAI
Date : 28th May, 2015

Consolidated Balance Sheet as at 31st March, 2015

Particulars	Note No.	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	3	130,043,390	130,043,390
(b) Reserves and Surplus	4	1,654,657,977	1,638,184,003
		<u>1,784,701,367</u>	<u>1,768,227,393</u>
(2) Minority Interest			
Minority Interest - Equity	5	222,584,661	180,438,419
Minority Interest - Non-Equity		137,152,410	108,575,684
		<u>359,737,070</u>	<u>289,014,104</u>
(3) Non-Current Liabilities			
(a) Long Term Borrowings	6	132,650,656	188,454,853
(b) Deferred Tax Liability	7	37,552,167	63,622,235
(c) Long Term Provisions	8	13,970,329	11,284,732
		<u>184,173,151</u>	<u>263,361,820</u>
(4) Current Liabilities			
(a) Short Term Borrowings	9	1,462,124,017	1,482,258,799
(b) Trade Payables	10	402,343,007	412,335,337
(c) Other Current Liabilities	11	144,356,223	194,974,374
(d) Short Term Provisions	12	98,413,597	71,837,600
		<u>2,107,236,844</u>	<u>2,161,406,111</u>
TOTAL		<u><u>4,435,848,433</u></u>	<u><u>4,482,009,427</u></u>
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets	13		
(i) Tangible Assets		857,293,991	985,196,426
(ii) Intangible Assets		888,665	1,014,292
(iii) Goodwill		16,731,807	16,046,845
(iv) Capital Work-in-Progress		92,919,950	108,500,000
(b) Non-Current Investments	14	20,414,940	19,596,500
(c) Unamortised Expenses	15	-	-
		<u>988,249,352</u>	<u>1,130,354,063</u>
(2) Current Assets			
(a) Inventories	16	1,447,224,155	1,367,595,552
(b) Trade Receivables	17	1,313,467,229	1,317,971,955
(c) Cash & Cash Equivalents	18	90,865,910	126,551,676
(d) Short Term Loans and Advances	19	596,041,787	539,536,180
		<u>3,447,599,081</u>	<u>3,351,655,363</u>
TOTAL		<u><u>4,435,848,433</u></u>	<u><u>4,482,009,427</u></u>
Significant Accounting Policies & The Notes to Accounts 1 to 36 form part of these Financial Statements			

As per our report of even date

For Kirti D Shah & Associates
Firm Registration No. 115133W
Chartered Accountants

Kirti D Shah
Proprietor
Membership No 32371

For and on behalf of the Board

Dr. Jimmy Mirchandani
Chairman & Managing Director
DIN 00239021

Dr. Rahul Mirchandani
Executive Director
DIN 00239057

Mrs. Nitya Mirchandani
Director
DIN 06882384

Prof R S S Mani
Director
DIN 00527270

Mr. C. B. Chhaya
Director
DIN 00968966

Mr. B. V. Dholakia
Director
DIN 01871816

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

Mr. Qaiser P. Ansari
Company Secretary
Membership No. ACS-8979

Place : Mumbai.
Date : 28th May, 2015

Consolidated Statement of Profit and Loss for the year ended 31st March, 2015

Particulars	Note No.	Year Ended 31 March 2015 Rupees	Year Ended 31 March 2014 Rupees
I. Revenue from Operations	20	3,047,506,772	2,977,673,049
II. Other Income	21	13,424,389	19,233,417
III. Total Revenue (I + II)		3,060,931,161	2,996,906,466
IV. Expenses :			
(a) Consumption of Materials	22	1,345,195,221	1,307,365,023
(b) (Increase) / Decrease in Inventories of Finished Goods	23	(5,458,484)	(16,084,232)
(c) Employee Benefit Expenses	24	276,144,280	257,814,136
(d) Finance Costs	25	241,303,673	252,716,091
(e) Depreciation & Amortization Expenses	13	98,547,514	86,941,373
(f) Other Expenses	26	880,352,569	854,920,410
Total Expenses		2,836,084,772	2,743,672,801
V. Profit Before Tax (PBT) - (III - IV)		224,846,388	253,233,665
VI. Provision for Taxation			
(i) Tax Expense			
Current Tax		55,400,000	65,400,000
Deferred Tax		(26,070,068)	(246,520)
(ii) Wealth tax		150,000	375,000
		29,479,932	65,528,480
VII. Profit After Tax (Before Minority Interest) (PAT) - (V - VI)		195,366,456	187,705,185
Less :- Share of Profit transferred to Minority Interest		23,446,146	25,252,028
VIII. Profit After Tax (After Minority Interest)		171,920,310	162,453,158
Less :- Short Provision for Tax in Earlier Years		3,304,278	3,225,281
Less :- MAT Credit Written Off		-	45,000
IX. Profit / (Loss) for the period		168,616,033	159,182,876
X. Earnings per Equity Share	27		
(1) Basic & Diluted		12.97	12.24
(2) Diluted			

Significant Accounting Policies &

The Notes to Accounts 1 to 36 form part of these Financial Statements

As per our report of even date

For Kirti D Shah & Associates
Firm Registration No. 115133W
Chartered Accountants

Kirti D Shah
Proprietor
Membership No 32371

Place : Mumbai.
Date : 28th May, 2015

For and on behalf of the Board

Dr. Jimmy Mirchandani
Chairman & Managing Director
DIN 00239021

Dr. Rahul Mirchandani
Executive Director
DIN 00239057

Mrs. Nitya Mirchandani
Director
DIN 06882384

Prof R S S Mani
Director
DIN 00527270

Mr. C. B. Chhaya
Director
DIN 00968966

Mr. B. V. Dholakia
Director
DIN 01871816

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

Mr. Qaiser P. Ansari
Company Secretary
Membership No. ACS-8979

Consolidated Statement of Cash Flows for the year ended 31st March, 2015

(Amount in Rupees)

Particulars	2014-15	2013-14
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax as per Profit and Loss Account	224,846,388	253,233,665
Adjusted for :		
Loss on Sale / Discard of Assets (net)	2,195,852	4,963,112
Depreciation and Amortisation Expenses	98,547,514	86,941,373
Effect of Exchange Rate Change	(3,292,085)	(5,449,747)
Proposed Dividend	(26,008,678)	(26,008,678)
Dividend Distribution Tax	(5,325,191)	(4,420,175)
Interest Income	(12,597,695)	(18,736,343)
Finance Cost	241,303,673	283,655,860
	294,823,390	320,945,403
Operating Profit before Working Capital Changes	519,669,778	574,179,068
Adjusted for :		
Trade Receivable	4,504,726	(311,538,749)
Inventories	(79,628,604)	(19,638,292)
Trade Payable	(9,992,329)	63,212,420
Other Payable	(21,356,557)	71,493,696
Other Current Assets		
	(106,472,764)	(196,470,925)
Cash Generated from Operations,	413,197,014	377,708,143
Net Prior Year Adjustments	(3,304,278)	(3,270,281)
Taxes Paid	(55,550,000)	(65,775,000)
	(58,854,278)	(69,045,281)
Net Cash from Operating Activities	354,342,736	308,662,861
B) CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets	(74,330,636)	3,714,669
Sale of Fixed Assets	4,673,352	6,646,807
Purchase of Investment	(818,440)	-
Movement in Short Term Loans and Advances	(56,505,607)	(4,400,381)
Interest Income	12,597,695	18,736,343
Net Cash (used in) Investing Activities	(114,383,637)	24,697,438
C) CASH FLOW FROM FINANCIAL ACTIVITIES:		
Proceeds from Issue of Share Capital, Increase in Share Application Money, Shareholders Current Account	41,597,787	35,257,399
Long Term Borrowings (Net)	(55,804,198)	25,007,554
Short Term Borrowings (Net)	(20,134,783)	(191,531,337)
Finance Cost	(241,303,673)	(283,655,860)
Net Cash (used in) / from financing activities	(275,644,866)	(414,922,243)
Net Increase in Cash and Cash Equivalents	(35,685,767)	(81,561,944)
Opening Balance of Cash and Cash Equivalents	126,551,676	208,113,620
Closing Balance of Cash and Cash Equivalents	90,865,910	126,551,676

As per our report of even date

For Kirti D Shah & Associates
Firm Registration No. 115133W
Chartered Accountants

Kirti D Shah
Proprietor
Membership No 32371

Place : Mumbai.
Date : 28th May, 2015

For and on behalf of the Board

Dr. Jimmy Mirchandani
Chairman & Managing Director
DIN 00239021

Dr. Rahul Mirchandani
Executive Director
DIN 00239057

Mrs. Nitya Mirchandani
Director
DIN 06882384

Prof R S S Mani
Director
DIN 00527270

Mr. C. B. Chhaya
Director
DIN 00968966

Mr. B. V. Dholakia
Director
DIN 01871816

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

Mr. Qaiser P. Ansari
Company Secretary
Membership No. ACS-8979

Notes to the Consolidated Financial Statement for the Year Ended 31st March, 2015

1. Corporate Information

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

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

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

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

In June, 2008 the Company incorporated Aries Agro Produce Private Limited as a Subsidiary for carrying business in all kinds of farming etc.

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

Aries Agro Limited and its Subsidiaries ('the Group') are engaged in manufacture and trading of Micronutrient Fertilizers, Farm Equipments ranging from individual elements to mixed specialty plant nutrient fertilizers. Since 1969, Aries has pioneered several **innovative concepts of farming** to Farming Community, including the wonder of Chelation Technology, bio-degradable complexes of plant nutrients, water soluble NPK fertilizers, value added secondary nutrients, natural and biological products and water treatment formulations.

2. Basis of preparation and consolidation

The consolidated financial statements have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Group has prepared these consolidated financial statements to comply in all material respects with the Accounting Standards, notified by the Companies Accounting Standards Rules, 2014 (as amended) and the relevant provisions of the Companies Act, 2013 to reflect the financial position and the results of operations of "ARIES GROUP" together with its subsidiary companies. The consolidated financial statements have been prepared on an accrual basis and under the historical cost convention except in case of assets for which provision for impairment is made and revaluation is carried out.

The accounting policies have been consistently applied by the Group and are consistent with those used in the previous year except for change in accounting policy as explained in 2.1(A) (i) below.

All material inter-company transactions and balances between the entities included in the consolidated financial statements have been eliminated. The excess of the purchase price over the proportionate share of the book value of the net assets of the acquired subsidiary company on the date of investment is recognised in the consolidated financial statements as goodwill and disclosed under Intangible Assets. In case the cost of investment in subsidiary companies is less than the proportionate share of the book value of the net assets of the acquired subsidiary company on the date of investment, the difference is treated as capital reserve and shown under Reserves and surplus.

A portion of net assets that is not attributed to the parent is attributed to the minority interest. If accumulated losses of subsidiary that would otherwise be attributed to the minority interest exceeds the accumulated amount of the minority interest the same is attributed to the parent's interest. In such case, when the subsidiary raises net income in succeeding periods, the income would be attributed to the parent's interest until the accumulated losses that has previously been attributed to the parents are recovered.

2.1 Summary of significant accounting policies

A. (i) Basis of preparation of financial statements :

The financial statements are prepared under the historical cost convention, except for certain fixed assets which are revalued, in accordance with the generally accepted accounting principles in India and the provisions of the Companies Act, 2013.

(ii) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

B. Tangible fixed assets

Fixed assets are stated at cost, except for revalued freehold land and buildings, which are shown at estimated replacement cost as determined by valuers less impairment loss, if any, net of accumulated depreciation and accumulated impairment losses, if any. The cost

comprises purchase price, borrowing costs if capitalization criteria are met and other directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Leasehold land on a lease-cum-sale basis are capitalised at the allotment rates charged by the Municipal Authorities.

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

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

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

C. Depreciation on tangible fixed assets

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management, or those prescribed under the Schedule II to the Companies Act, 2013, whichever is higher.

- a) The cost of Property, Plant and Equipment for Subsidiary "Golden Harvest Middle East FZC" is depreciated by equal annual installments over the estimated useful lives of Assets. The estimated useful lives of the Assets for the calculation of Depreciation are as follows :

Name of the Asset	Years
Building	20
Machineries	10
Equipments	5
Office Furniture	5
Motor Vehicles	4

- b) The cost of Property, Plant and Equipment for Subsidiary "Amarak Chemicals FZC" is depreciated by equal annual installments over the estimated useful lives of Assets. The estimated useful lives of the Assets for the calculation of Depreciation are as follows :

Name of the Asset	Years
Building	20
Machineries	10
Furniture, Fixture and Office Equipments	5
Motor Vehicles	4

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

The depreciation charge over and above the depreciation calculated on the original cost of the revalued assets is transferred from the revaluation reserve to the statement of profit and loss.

D. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Computer Software which is not an integral part of the related hardware is classified as an intangible asset.

Intangible assets are amortized on a straight line basis over the estimated useful economic life.

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

Goodwill

Goodwill represents the excess of the purchase price over the book value of the net assets of the acquired subsidiary company on the date of investment. Goodwill is not amortised but is tested for impairment on a yearly basis

E. Borrowing Costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

F. Impairment of tangible and intangible assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss, except for previously revalued tangible fixed assets, where the revaluation was taken to revaluation reserve. In this case, the impairment is also recognized in the revaluation reserve up to the amount of any previous revaluation.

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

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

G. Inventories

Inventories are valued as follows:

- (i) **Raw materials and packing materials** : Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a first-in-first out basis. Customs duty on imported raw materials (excluding stocks in the bonded warehouse) is treated as part of the cost of the inventories.
- (ii) **Work-in-progress and finished goods** : Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty.
- (iii) **Traded goods** : Lower of cost and net realizable value. Cost includes the purchase price and other associated costs directly incurred in bringing the inventory to its present location.

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

- (iv) Waste and scrap are not separately valued being insignificant in value

H. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised.

(i) Sale of products:

Revenue from sale of products is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. The Company collects sales taxes and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year.

(ii) Interest Income:

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

(iii) Dividend income:

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

I. Investments

Investments that are readily realisable and intended to be held for not more than twelve months from the date on which such investments are made are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

J. Retirement benefits

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

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. The gratuity benefit of the Company is administered by a trust formed for this purpose through the group gratuity scheme. Actuarial gains and losses for defined benefit plan are recognized in full in the period in which they occur in the statement of profit and loss.

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

The Company treats accumulated leave expected to be carried forward beyond 12 months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

K. Foreign currency translation

The transactions in foreign currency are accounted at the exchange rate i.e. custom rate prevailing on the date of transaction. Exchange fluctuation between the transaction date and settlement date in respect of transactions are transferred to exchange rate difference account and written off to the statement of profit & loss.

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

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

L. Income tax

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred tax liability is recognised for all taxable timing differences. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

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

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

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

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on "Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961", the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

M. Earnings Per Share (EPS)

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

N. Operating lease

Leases of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under operating leases are recognised as an expense on a straight-line basis over the lease term.

O. Segment reporting

Identification of segments

The Company's operating businesses are organised and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and services to different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operates.

P. Provisions

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

Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

Q. Contingent liability

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

R. Expenditure on new projects and substantial expansion

Expenditure directly relating to construction activity is capitalised. Indirect expenditure incurred during construction period is capitalised as part of the indirect construction cost to the extent to which the expenditure is directly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is not related to the construction activity nor is incidental thereto is charged to the statement of profit and loss. Income earned during construction period is deducted from the total of the indirect expenditure. All direct capital expenditure on expansion is capitalised. As regards indirect expenditure on expansion, only that portion is capitalised which represents the marginal increase in such expenditure involved as a result of capital expansion. Both direct and indirect expenditure are capitalised only if they increase the value of the asset beyond its original standard of performance.

S. Cash and cash equivalents

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

All the accounting policies as mentioned above will be applied at the relevant time.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2015

3 SHARE CAPITAL

	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
Authorised Share Capital		
1,50,00,000 Equity Shares of Rs. 10/- each	150,000,000	150,000,000
Total	150,000,000	150,000,000
Issued, Subscribed and Paidup		
1,30,04,339 Equity Shares of Rs.10/- each.	130,043,390	130,043,390
Total	130,043,390	130,043,390

3.1 66,00,700 Equity Shares out of the Issued, Subscribed and Paidup Share Capital were allotted as fully paidup Bonus Shares since incorporation by capitalisation of Rs. 4.90 Crores from Revaluation Reserve, Rs. 0.91 Crores from Securities Premium Account and Rs. 0.79 Crores from Statement of Profit and Loss.

3.2 17,00,700 Equity Shares out of the Issued, Subscribed and Paidup Share Capital were allotted as fully paid Bonus Shares during the Financial Year 2006-07 by capitalisation of Rs. 0.91 Crores from Securities Premium Account and Rs. 0.79 Crores from Statement of Profit and Loss.

3.3 Reconciliation of Number of Shares Outstanding

Particulars	As at 31st March, 2015 No. of Shares	As at 31st March, 2014 No. of Shares
Equity Shares at the beginning of the year	13,004,339	13,004,339
Add :- Issued during the year	-	-
Less :- Shares cancelled during the year	-	-
Equity Shares at the end of the year	13,004,339	13,004,339

3.4 List of Shareholder's holding more than 5 percent of Shares

Name of the Shareholder	No. of Shares	As at 31st March, 2015 % Held	No. of Shares	As at 31st March, 2014 % Held
(i) Dr. Jimmy Mirchandani	3,524,830	27.11%	3,524,830	27.11%
(ii) Dr. Rahul Mirchandani	2,623,221	20.17%	2,623,221	20.17%
(iii) SBI MF - Magnum Comma Fund	-	-	1,088,944	8.37%

4 RESERVES AND SURPLUS

	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
Foreign Currency Translation Reserve	79,223,316	74,971,067
Legal Reserve	12,392,022	8,471,610
Securities Premium Reserve		
As per last Balance Sheet	490,037,050	490,037,050
	490,037,050	490,037,050
Revaluation Reserve		
As per last Balance Sheet	70,911,340	73,715,773
Less : Depreciation on Revalued assets	-	2,804,433
Less : WDV of Assets W/off having zero remaining useful life due to change in method of Depreciation	70,911,340	-
	-	70,911,340

Notes to the Consolidated Financial Statements for the year ended 31st March, 2015

	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
General Reserve		
As per last Balance Sheet	87,956,310	77,956,310
Add : Transfer from Profit & Loss A/c	10,000,000	10,000,000
	97,956,310	87,956,310
Surplus in the Statement of Profit & Loss		
As per last Balance Sheet	919,761,037	787,063,624
Add:- Profit for the year	168,616,033	159,182,876
Loss Attributable to Minority Interest	20,097	18,979
	1,088,397,168	946,265,480
Less:- Appropriations		
WDV of Assets W/off having zero remaining useful life due to change in method of Depreciation	68,455,219	-
Transfer to General Reserve	10,000,000	10,000,000
Proposed Dividend on Equity Shares { Dividend Per Share Rs. 2/- (Previous Year Rs 2/-) }	26,008,678	26,008,678
Dividend Distribution Tax	5,325,191	4,420,175
Transfer to Legal Reserve	3,558,800	-
	113,347,888	40,428,853
	975,049,280	905,836,627
Total	1,654,657,977	1,638,184,003

5 MINORITY INTEREST

	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
Minority Interest - Equity	222,584,661	180,438,419
Minority Interest - Non Equity	137,152,410	108,575,684
	359,737,070	289,014,104

5.1 Minority Interest as at 31st March, 2015, represents that part of the profit / (Loss) and net assets of Golden Harvest Middle East FZC to the extent of 375 Shares (25%) and Amarak Chemicals FZC to the extent of 5,000 Shares (25%) held by other parties.

5.2 Share of Minority Shareholders in accumulated losses is restricted to the amount of their Equity only.

6 LONG TERM BORROWINGS

	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
Secured Term Loans		
Term Loans from Banks	16,405,865	63,655,496
	16,405,865	63,655,496
Un-Secured Term Loans		
Term Loans from Banks	116,244,791	124,799,357
	116,244,791	124,799,357
Total	132,650,656	188,454,853

Notes to the Consolidated Financial Statements for the year ended 31st March, 2015

6.1 Secured Term Loans from Banks referred above to the extent of :

	As at 31-3-2015	As at 31-3-2014
(a) Secured by way of Charge on the Company's Motor Vehicles.	5,762,018	8,459,911
(b) Foreign Currency Term Loan which is secured by way of Equitable Mortgage of Land and Building and personal guarantee of Directors.	-	29,855,624
(c) Secured by way of Primary Charge on all Fixed Assets at Mouje Rajpur, Gujarat and personally guaranteed by Directors.	5,120,985	25,339,962
(d) Secured by way of Primary Charge on Solar Panel at Pashamylaram, Andhrapradesh and personally guaranteed by Directors.	2,274,003	-
(e) Secured by way of Pari Pasu Charge on all Fixed Assets at Deonar, Mumbai and personally guaranteed by Directors.	3,248,858	-
	16,405,865	63,655,496

6.2 Un-Secured Term Loans from Banks are secured by way of Charge on personal Assets of Directors and guaranteed by the Directors.

6.3 Maturity Profile of Secured Term Loans are as set out below :

Particulars	F Y 2015-16*	F Y 2016-17	F Y 2017-18	F Y 2018-19 & Beyond
(a) Term Loans from Banks	62,261,924	13,243,279	2,631,509	531,076

* Refer Note No. 11

6.4 Maturity Profile of Un-Secured Term Loans are as set out below :

Particulars	F Y 2015-16*	F Y 2016-17	F Y 2017-18	F Y 2018-19 & Beyond
(a) Term Loans from Banks	8,554,564	9,639,499	10,862,028	95,743,264

* Refer Note No. 11

7 DEFERRED TAX LIABILITY

	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
Deferred Tax Liability		
Related to Fixed Assets : Impact of difference between income tax depreciation and depreciation charged for the financial reporting.	40,373,167	65,853,535
Gross Deferred Tax Liability	40,373,167	65,853,535
Deferred Tax Assets		
Disallowance under the Income Tax Act, 1961 U/s 43B	2,821,000	2,231,300
Gross Deferred Tax Asset	2,821,000	2,231,300
Net Deferred Tax Liability	37,552,167	63,622,235

8 LONG TERM PROVISIONS

	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
Employee Related		
Provision for Gratuity	6,921,744	5,839,452
Provision for Leave Salary	7,048,585	5,445,280
Total	13,970,329	11,284,732

Notes to the Consolidated Financial Statements for the year ended 31st March, 2015

9 SHORT TERM BORROWINGS

	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
Secured Borrowings		
Working Capital Facilities from Banks	834,364,649	871,804,011
	834,364,649	871,804,011
Un-Secured Borrowings		
Working Capital Facilities from Banks	381,564,160	365,943,814
From Related Parties	40,780,593	30,559,551
From Others	129,417,960	86,943,885
Security Deposits	75,996,654	127,007,539
	627,759,368	610,454,788
Total	1,462,124,017	1,482,258,799

9.1 Working Capital Facilities from Banks are secured by way of Charge on Company's Inventory, Book Debts, Charge on Land, Building, Plant & Machinery and all other movable fixed assets of the Company and guaranteed by Directors.

9.2 Working Capital Facilities from Banks includes :

	As at 31-3-2015	As at 31-3-2014
a) Loans repayable on demand	-	30,000,000
b) Cash Credit Facilities	728,116,232	687,308,593
c) Buyers Credit	106,248,417	154,495,418
	834,364,649	871,804,011

9.3 Working Capital Facilities from Banks shown under Un-secured borrowings includes :

	As at 31-3-2015	As at 31-3-2014
a) Loans repayable on demand		
i) Axis Bank	331,359,995	317,794,890
ii) HDFC Bank	50,204,165	48,148,924
	381,564,160	365,943,814

9.4 Loan from Related parties includes amount payable to Mirabelle Holdings

10 TRADE PAYABLES

	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
Creditors for Goods	210,111,466	280,879,527
Creditors for Expenses	124,054,037	80,179,304
Outstanding Expenses	68,177,505	51,276,506
Total	402,343,007	412,335,337

10.1 There are no Micro and Small Enterprises to whom Company owes dues, which are outstanding for more than 45 days as at 31st March, 2015. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2015

11 OTHER CURRENT LIABILITIES

	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
Current Maturities of Long Term Debt (Refer Note No. 6.3 & 6.4)	70,816,488	108,772,730
Interest Accrued but not due on Borrowings	2,811,157	4,620,290
Unclaimed Dividend	2,362,789	1,976,576
Unclaimed Share Application Money	-	580,840
Advance/Credits from Customers	14,301,585	23,941,534
Dues to Directors	32,437,495	34,713,861
Statutory Dues	21,626,709	18,169,279
Other Payables	-	2,199,265
Total	144,356,223	194,974,374

11.1 Current Maturities of Long Term Debt includes amount repayable within one year of :

	As at 31-3-2015	As at 31-3-2014
(a) Secured Term Loans from Banks	62,261,924	101,180,988
(b) Un-Secured Term Loans from Banks	8,554,564	7,591,742
	70,816,488	108,772,730

11.2 Secured Term Loans from Banks included in Current Maturities of Long Term Debt to the extent of :

	As at 31-3-2015	As at 31-3-2014
(a) Secured by way of Charge on the Company's Motor Vehicles.	5,961,183	6,603,359
(b) Foreign Currency Term Loan which is secured by way of Equitable Mortgage of Land and Building and personal guarantee of Directors.	31,128,740	74,577,629
(c) Axis Bank Ltd by way of Primary Charge on all Fixed Assets at Mouje Rajpur, Gujarat and personally guaranteed by Directors.	20,000,000	20,000,000
(d) Canara Bank by way of Primary Charge on Solar Panel at Pashamylaram, Andhrapradesh and personally guaranteed by Directors.	2,129,538	-
(e) Canara Bank by way of Pari Pasu Charge on all Fixed Assets at Deonar, Mumbai and personally guaranteed by Directors.	3,042,462	-
	62,261,924	101,180,988

11.3 Un-Secured Term Loans from Banks included in Current Maturities of Long Term Debt to the extent of Rs. 85,54,564 are secured by way of Charge on personal Assets of Directors and guaranteed by the Directors.

11.4 Unclaimed Dividend do not include any amounts, due and outstanding, to be credited to Investor Education and Protection Fund.

11.5 Statutory Dues includes Indirect Taxes, Tax Deducted at Source, Bonus, ESIC, Provident Fund and Profession Tax.

12 SHORT TERM PROVISIONS

	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
Employee Related		
Provision for Gratuity	9,632,309	-
Provision for Leave Salary	5,954,426	4,969,874
Other Provisions		
Proposed Dividend	26,008,678	26,008,678
Dividend Distribution Tax	5,325,191	4,420,175
Provision for Income Tax (Net of Payments)	51,342,993	36,063,874
Provision for Wealth Tax	150,000	375,000
Total	98,413,597	71,837,600

Notes to the Consolidated Financial Statements for the year ended 31st March, 2015

NOTE - 13

Consolidated Schedule of Fixed Assets for the year ended 31st March, 2015

Sr No	Particulars	Gross Block				Depreciation Block				Net Block					
		Balance as on 31-Mar-14	Additions during the Year	Deductions During the Year	Adjustment on A/c of Exchange Rate	Balance as on 31-Mar-15	Balance as on 31-Mar-14	Provided during the Year	On Revaluations	Amount to be charged from Opening Retained Earnings as on 01/04/2014	Deductions during the Year	Adjustment on A/c of Exchange Rate	Total as on 31-Mar-15	As on 31-Mar-15	As on 31-Mar-14
Tangible Assets															
1	Land	13,456,619	-	-	-	13,456,619	-	-	-	-	-	-	-	13,456,619	13,456,619
2	Factory Building	575,823,002	15,073,229	-	12,136,019	603,032,250	100,123,945	18,005,111	-	136,896,216	-	2,379,580	257,404,853	345,627,397	475,699,057
3	Residential Flat	350,000	-	-	-	350,000	98,782	5,565	-	-	-	-	104,347	245,653	251,218
4	Plant & Machinery	638,039,244	58,942,936	188,916	25,760,968	722,554,232	205,226,589	66,395,266	-	-	69,785	9,120,678	280,672,747	441,881,485	432,812,655
5	Electrical Installations	11,468,391	9,760,949	-	126,069	21,355,409	3,342,634	1,577,208	-	18,633	-	59,349	4,997,824	16,357,585	8,125,757
6	Laboratory Equipments	2,160,762	59,131	-	-	2,219,893	755,436	304,050	-	37,988	-	-	1,097,474	1,122,419	1,405,326
7	Office Equipments	7,578,380	477,600	-	107,449	8,163,429	3,787,010	1,550,532	-	977,621	-	279,612	6,594,775	1,568,655	3,791,370
8	Furniture & Fixtures	20,188,121	154,984	1,200	78,580	20,420,464	7,640,557	2,405,330	-	66,300	248	(132,923)	9,979,016	10,441,448	12,547,563
9	Air Conditioners	3,428,571	86,800	-	12,000	3,527,371	2,082,079	288,329	-	700,368	-	11,133	3,081,908	445,462	1,346,492
10	Computer	7,357,632	271,135	12,800	-	7,615,967	6,251,794	(0)	-	539,131	121,600	-	6,778,765	837,202	1,105,838
11	Vehicles	53,210,357	5,079,532	14,908,078	567,067	43,948,878	21,717,991	7,205,595	-	266	8,219,463	236,811	20,941,199	23,007,678	31,492,366
12	Commercial Vehicles	6,346,485	-	290,136	37,957	6,094,306	3,184,319	810,526	-	-	225,701	22,774	3,791,918	2,302,388	3,162,166
	Sub - Total	1,339,407,562	89,906,276	15,401,130	38,826,108	1,452,738,817	354,211,136	98,547,514	-	139,236,522	8,527,357	11,977,011	595,444,826	857,293,991	985,196,426
	Previous Year Rs.	1,253,708,829	23,897,258	20,140,777	81,942,252	1,339,407,562	257,329,628	83,295,559	2,804,433	-	8,515,310	19,296,827	354,211,136	985,196,426	996,379,201
Intangible Assets															
13	Computer Software	17,654,488	4,410	-	-	17,658,898	16,640,196	-	-	130,037	-	-	16,770,233	888,665	1,014,292
14	Goodwill	16,046,845	-	-	684,962	16,731,807	-	-	-	-	-	-	-	16,731,807	16,046,845
	Sub - Total	33,701,333	4,410	-	684,962	34,390,705	16,640,196	-	-	130,037	-	-	16,770,233	17,620,471	17,061,137
	Previous Year Rs.	32,187,215	6,405	-	1,507,713	33,701,333	13,778,812	2,861,384	-	-	-	-	16,640,196	17,061,137	18,408,403
15	Capital Work in Progress	-	-	-	-	-	-	-	-	-	-	-	-	92,919,950	108,500,000
	Sub - Total	-	-	-	-	-	-	-	-	-	-	-	-	92,919,950	108,500,000
	Previous Year Rs.	-	-	-	-	-	-	-	-	-	-	-	-	108,500,000	136,118,332
	Grand Total	1,373,108,895	89,910,686	15,401,130	39,511,069	1,487,129,521	370,851,332	98,547,514	-	139,366,559	8,527,357	11,977,011	612,215,059	967,834,412	1,110,757,563
	Previous Year Rs.	1,285,896,044	23,903,663	20,140,777	83,449,965	1,373,108,895	271,108,440	86,156,943	2,804,433	-	8,515,310	19,296,827	370,851,332	1,110,757,563	1,150,905,936

13.1 The Gross Block of Fixed Assets includes Rs. 17,60,00,000/- (Previous Year Rs. 17,60,00,000/-) on account of revaluation of Building carried out in F.Y. 1994-95.

13.2 Capital Work in Progress represents Advance for Existing Office Building renovation. On completion the Capital Work in Progress will be allocated to relevant Assets.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2015

14 NON-CURRENT INVESTMENTS

	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
Trade Investments		
In Equity Shares of Foreign Subsidiary Companies - Unquoted, Fully paidup		
(a) (48,000 Equity Shares of AED 25 each) - MAPCO Fertilizers Industries FZC	20,414,940	19,579,200
	<u>20,414,940</u>	<u>19,579,200</u>
Other Investments		
In Government Securities - Unquoted		
National Savings Certificate	-	17,300
(Previous year Deposited with BMC for plot at Deonar, Mumbai and for S.S.I. Registration deposited with Industrial Department, Hyderabad)		
	-	17,300
Total	<u>20,414,940</u>	<u>19,596,500</u>

15 UNAMORTISED EXPENSES

	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
(a) As per last Balance Sheet	-	784,430
(b) Less :- 1/5th written off	-	784,430
	<u>-</u>	<u>-</u>

16 INVENTORIES

	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
(At lower of cost or Net Realisable Value)		
(As Certified and valued by the Management)		
Raw Materials	683,310,782	601,730,028
Finished Goods	571,398,441	564,976,709
Stock-in-Trade (in respect of Goods acquired for Trading)	96,199,234	104,791,246
Packing Materials	96,315,698	96,097,569
Total	<u>1,447,224,155</u>	<u>1,367,595,552</u>

17 TRADE RECEIVABLES

	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
(Unsecured - Considered Good)		
Outstanding for a period exceeding six months	315,757,964	275,180,875
Others	997,709,265	1,042,791,080
Total	<u>1,313,467,229</u>	<u>1,317,971,955</u>

Notes to the Consolidated Financial Statements for the year ended 31st March, 2015

18 CASH AND CASH EQUIVALENTS

	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
Balance with Scheduled Banks in Current Accounts	46,847,006	86,155,009
Cash on hand	559,291	638,904
Balance with Scheduled Banks in Fixed Deposit Accounts	43,459,612	39,757,764
Total	90,865,910	126,551,676

18.1 Balance with Banks includes Unclaimed Dividend of Rs. 23.63 Lacs and Unclaimed Share Application Money of Rs. Nil (Previous Year Unclaimed Dividend Rs. 19.77 Lacs and Unclaimed Share Application Money Rs. 5.81 Lacs).

18.2 The Fixed Deposits are kept as Margin against various Credit Limits / Guarantees.

19 SHORT TERM LOANS AND ADVANCES

	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
Loans and Advances to Related Parties (Refer Note No. 29)	54,988,419	52,187,701
Balances with Customs, Central Excise, Sales Tax Authorities	6,534,947	6,534,947
Deposits	11,999,127	9,001,428
Others	522,519,293	471,812,105
Total	596,041,787	539,536,180

19.1 Other Advances includes :

Particulars	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
a) Advance to Suppliers	500,320,799	451,963,034
b) Advance to Staff against expenses	3,235,070	975,712
c) Imprest Advance for Vehicle Expenses	172,450	167,500
d) Interest Accrued but not due	1,714,151	2,120,590
e) Prepaid Expenses	16,058,197	16,125,528
f) Staff Loans	1,018,627	459,741
	522,519,293	471,812,105

20 REVENUE FROM OPERATIONS

	Year Ended 31 March 2015 Rupees	Year Ended 31 March 2014 Rupees
Sales of Products		
Manufactured	1,883,749,011	1,890,763,138
Traded	1,213,964,816	1,133,532,707
	3,097,713,827	3,024,295,844
Less:- Excise Duty	50,207,056	46,622,795
Total	3,047,506,772	2,977,673,049

Notes to the Consolidated Financial Statements for the year ended 31st March, 2015

20.1 Particulars of Sale of Products :

Particulars	Year Ended 31st March, 2015 Rupees	Year Ended 31st March, 2014 Rupees
Manufactured Products		
(a) Agricultural Mirconutrient and Speciality Fertilizers	1,336,349,384	1,190,498,320
(b) Plant Nutrients	312,561,326	479,971,879
(c) Insecticides and Pesticides	227,376,208	209,342,255
(d) Animal Feed and Feed Concentrates	489,910	3,126,773
(e) Others	6,972,182	7,823,911
	<u>1,883,749,011</u>	<u>1,890,763,138</u>
Less :- Excise Duty	<u>50,207,056</u>	<u>46,622,795</u>
	1,833,541,955	1,844,140,343
Traded Products		
(a) Agricultural Mirconutrient and Speciality Fertilizers	600,440,013	757,732,678
(b) Plant Nutrients	393,826,872	210,053,292
(c) Insecticides and Pesticides	426,556	5,887,433
(d) Agri Equipments	26,878,837	17,039,195
(e) Others	<u>192,392,538</u>	<u>142,820,108</u>
	1,213,964,816	1,133,532,707
	<u>3,047,506,772</u>	<u>2,977,673,049</u>

21 OTHER INCOME

	Year Ended 31 March 2015 Rupees	Year Ended 31 March 2014 Rupees
Interest Income on :		
Bank Fixed Deposits	3,576,797	8,043,229
Others	9,020,898	10,693,040
Other Non-Operating Income		
Misc. / Other Income	243,926	26,118
Re-Processing Charges	168,429	265,397
Sundry Balance written back	-	205,633
Profit on Sale of Asset	414,339	-
Total	<u>13,424,389</u>	<u>19,233,417</u>

Notes to the Consolidated Financial Statements for the year ended 31st March, 2015

22 CONSUMPTION OF MATERIALS

	Year Ended 31 March 2015 Rupees	Year Ended 31 March 2014 Rupees
1) Opening Stock of Raw Materials	463,812,394	482,212,102
Add : Purchases	671,781,301	694,906,560
Sales Return	-	37,796
Equipments Stock Written Off / Scrapped	-	197,427
	1,135,593,695	1,177,353,885
Less : Closing Stock of Raw Materials	529,394,941	450,090,337
Raw Material Consumed	606,198,754	727,263,548
2) Opening Stock of Traded Products	250,030,465	228,236,403
Add : Purchases	585,687,378	455,726,622
	835,717,844	683,963,025
Less : Closing Stock of Traded Products	241,438,453	240,314,935
Cost of Goods Sold	594,279,390	443,648,090
3) Opening Stock of Packing Materials	96,199,350	106,376,426
Add : Purchases	144,720,845	125,950,489
	240,920,196	232,326,916
Less : Closing Stock of Packing Materials	96,203,119	95,873,531
Packing Materials Consumed	144,717,077	136,453,385
Consumption of Materials (1+2+3)	1,345,195,221	1,307,365,023

23 (INCREASE) / DECREASE IN INVENTORIES OF FINISHED GOODS

	Year Ended 31 March 2015 Rupees	Year Ended 31 March 2014 Rupees
Inventories at the beginning of the year		
Finished Goods	565,510,511	547,717,493
	565,510,511	547,717,493
Inventories at the end of the year		
Finished Goods	570,968,995	563,801,725
(Increase) / Decrease in Inventories	(5,458,484)	(16,084,232)

24 EMPLOYEE BENEFIT EXPENSES

	Year Ended 31 March 2015 Rupees	Year Ended 31 March 2014 Rupees
Salary and Wages	200,891,911	189,678,828
Directors Remuneration	34,073,449	36,236,551
Contribution to Provident & Other Funds	31,323,940	23,715,010
Staff Welfare Expenses	9,854,981	8,183,748
Total	276,144,280	257,814,136

Notes to the Consolidated Financial Statements for the year ended 31st March, 2015

24.1 As per Accounting Standard 15 "Employee Benefits", the disclosures as defined in the Accounting Standard are given below :

Particulars	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
Defined Contribution Plans		
Contribution to Defined Contribution Plans, recognised as expense for the year is as under :		
Employer's Contribution to Provident Fund	15,052,323	15,368,290
All Permanent Employees having served from the 1st day of their employment are entitled to the benefits of the contribution to Provident Fund.		
The Company contributes specified percentage of the salary paid to Employees to the Defined Fund.		

Defined Benefit Plan

All Employees who have completed five years or more of service are entitled to benefits of Gratuity. The Company has the Employee's Gratuity scheme managed by Life Insurance Corporation of India which is a Defined Benefits Plan. The present value of obligation is determined based on actuarial valuation. The obligation for Leave Encashment is recognised in the same manner as Gratuity.

I Reconciliation of Opening and Closing balances of Defined Benefit Obligation

	Gratuity		Leave Encashment	
	2014-15	2013-14	2014-15	2013-14
Defined Benefit obligation at beginning of year	44,415,456	43,078,325	6,564,578	6,982,548
Current Service Cost	3,283,892	2,923,737	1,631,033	1,153,081
Interest Cost	3,553,236	3,446,266	607,223	558,604
Actuarial (gain) / loss	6,281,442	(19,739)	(385,593)	(1,578,845)
Benefits paid	(7,683,578)	(5,013,133)	(117,740)	(550,810)
Defined Benefits obligation at year end	49,850,448	44,415,456	8,299,501	6,564,578

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

	Gratuity	
	2014-15	2013-14
Fair value of plan assets at beginning of the year	41,320,730	38,408,705
Expected return on plan assets	3,486,261	3,258,848
Actuarial gain / (loss)	-	-
Employer Contribution	5,655,057	4,666,310
Benefits paid	(7,683,578)	(5,013,133)
Fair value of Plan assets at year end	42,778,470	41,320,730
Actual return on plan assets	3,486,261	3,258,848

III Reconciliation of fair value of assets and obligations

	Gratuity		Leave Encashment	
	2014-15	2013-14	2014-15	2013-14
Fair value of plan assets	42,778,470	41,320,730	-	-
Present value of obligation	49,850,448	44,415,456	8,299,501	6,564,578
Amount recognised in Balance Sheet	(7,071,978)	(3,094,726)	8,299,501	6,564,578

Notes to the Consolidated Financial Statements for the year ended 31st March, 2015

IV Expenses recognised during the year

	Gratuity		Leave Encashment	
	2014-15	2013-14	2014-15	2013-14
Current Service Cost	3,283,892	2,923,737	1,631,033	1,153,081
Interest Cost	3,553,236	3,446,266	607,223	558,604
Expected return on Plant assets	(3,486,261)	(3,258,848)	-	-
Actuarial (gain) / loss	6,281,442	(19,739)	(385,593)	(1,578,845)
Net Cost	9,632,309	3,091,416	1,852,663	132,840

V Investment details :

	% Invested	
	2014-15	2013-14
Insurance Policies	100.00	100.00
	100.00	100.00

VI Actuarial assumptions

	Gratuity		Leave Encashment	
	2014-15	2013-14	2014-15	2013-14
Mortality Table (LIC)	2006-08 (Ultimate)	2006-08 (Ultimate)	2006-08 (Ultimate)	2006-08 (Ultimate)
Discount rate (per annum)	8%	8%	7.75%	9.25%
Expected rate of return on plan assets (per annum)	8%	8%		
Rate of escalation in salary (per annum)	5%	5%	7.00%	7.00%

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of Plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for plan assets management.

25 FINANCE COSTS

	Year Ended 31 March 2015 Rupees	Year Ended 31 March 2014 Rupees
Interest Expense	208,418,268	221,429,565
Other Borrowing Costs	32,885,405	31,286,526
Total	241,303,673	252,716,091

26 OTHER EXPENSES

	Year Ended 31 March 2015 Rupees	Year Ended 31 March 2014 Rupees
Manufacturing Expenses		
Consumption of Stores & Spare Parts	1,360,444	994,055
Power & Fuel	49,140,822	50,232,135
Rent, Rates & Taxes	22,388,051	26,752,523
Repairs to Building	1,825,321	1,197,751
Repairs to Machinery	17,892,464	11,842,427
Miscellaneous Expenses	150,651,537	133,941,970
	243,258,640	224,960,862

Notes to the Consolidated Financial Statements for the year ended 31st March, 2015

	Year Ended 31 March 2015 Rupees	Year Ended 31 March 2014 Rupees
Selling & Distribution Expenses		
Advertisement & Publicity	64,590,905	97,758,169
Discount and Rebate	263,933,633	192,626,396
Freight & Delivery Expenses	106,829,286	111,572,738
Mobile Selling Expenses	886,171	1,238,511
Selling Expenses	9,601,063	10,100,483
Travelling Expenses	69,204,139	63,773,820
	515,045,197	477,070,117
Other Administration Expenses		
Audit Fees	2,791,824	2,274,577
Conveyance & Motor Car Expenses	27,234,741	27,345,244
Corporate Social Responsibility (CSR) Expenses	3,434,687	-
Electricity	1,037,774	1,011,590
General Expenses	10,970,293	9,398,547
Insurance	5,215,796	5,928,003
Legal & Professional Fees	9,958,231	14,008,961
Loss on Sale of Asset	2,610,191	4,963,112
Postage & Telephones	10,341,049	10,620,352
Printing & Stationery	5,403,716	5,512,698
Rent, Rates & Taxes	39,060,820	38,151,827
Repairs & Maintenance	2,703,541	2,729,019
Bank Charges	1,297	5,730
Net Gain / Loss on Foreign Currency Transactions and Translation	1,284,773	30,939,769
	122,048,732	152,889,430
Total	880,352,569	854,920,410

26.1 Payment to Auditors as :

Particulars	Year Ended 31 March, 2015 Rupees	Year Ended 31 March, 2014 Rupees
(a) Statutory Audit Fees	2,791,824	2,274,577
(b) Tax Audit Fees	269,664	168,540
(c) Taxation Matters	247,192	134,832
(d) Certification and Consultancy Fees	275,282	157,304
	3,583,962	2,735,253

27 EARNINGS PER SHARE (EPS)

	Year Ended 31 March 2015 Rupees	Year Ended 31 March 2014 Rupees
(i) Net Profit After Tax (PAT) as per Statement of Profit and Loss attributable to Equity Shareholders	168,616,033	159,182,876
(ii) Weighted Average number of Equity Shares used as denominator for calculating EPS	13,004,339	13,004,339
(iii) Basic & Diluted Earnings per Share (Rs.)	12.97	12.24
(iv) Face Value per Equity Share (Rs.)	10	10

Notes to the Consolidated Financial Statements for the year ended 31st March, 2015

28.1 The Company's significant leasing arrangements are in respect of Operating Leases for Vehicles. These leasing arrangements which are not non-cancellable range upto 60 months and are renewable by mutual consent on mutually agreeable terms. The aggregate Lease Rentals payable are charged as "RENT" in Other Administrative Expenses under Note 26.

Particulars	Total Minimum Lease Payments outstanding as at 31st March, 2015 Rupees	Total Minimum Lease Payments outstanding as at 31st March, 2014 Rupees
(a) Within One year	13,945,752	9,330,647
(b) Later than One year and not later than Five years	9,448,336	1,939,976
(c) Later than Five years	-	-
	23,394,088	11,270,623

The above lease rentals are inclusive of VAT, Insurance and Other Charges

28.2 Lease payments recognised in the statement of Profit and Loss :

Particulars	Year Ended 31 March, 2015 Rupees	Year Ended 31 March, 2014 Rupees
(a) Minimum Lease Payments (Inclusive of VAT, Insurance and Other Charges)	22,797,591	20,184,317

28.3 General description of Lease terms :

- (a) Lease Rentals are charged on the basis of agreed terms.
- (b) Assets are taken on Lease for a period of 60 months.

29. RELATED PARTY DISCLOSURES

Related Party Disclosures as per Accounting Standard - 18 issued by the Institute of Chartered Accountants of India

Part - A				
Details of Related Parties as per AS - 18				
Sr. No.	Nature of Relationship	Name of the Related Party	Remarks	
1	Enterprises over which the Key Management Persons has significant Influence of Control	a) Aries Marketing Ltd. b) Blossoms International Ltd. c) Sreeni Agro Chemicals Ltd. d) Aries East West Nutrients Pvt. Ltd.		
2	Key Management Personnel	a) Dr. Jimmy Mirchandani b) Dr. Rahul Mirchandani c) Mrs. Nitya Mirchandani	a) Chairman & Managing Director b) Executive Director c) Director	
3	Relatives of Key Management Personnel	Name of the Key Management Personnel	Name of the Relative	Relationship
		a) Dr. Jimmy Mirchandani	a) Late Mrs. Sarasa Mirchandani b) Mr. Akshay Mirchandani c) Mr. Amol Mirchandani d) Dr. Rahul Mirchandani	Spouse Son Son Brother
		b) Dr. Rahul Mirchandani	a) Mrs. Nitya Mirchandani b) Master Armaan Mirchandani c) Dr. Jimmy Mirchandani	Spouse Son Brother
		c) Mrs. Nitya Mirchandani	a) Dr. Rahul Mirchandani b) Master Armaan Mirchandani	Spouse Son

Notes to the Consolidated Financial Statements for the year ended 31st March, 2015

Part - B				
Details of Transactions with Related Parties				
Sr. No.	Category	Nature of Service	Year Ended 31 March 2015 Rupees	Year Ended 31 March 2014 Rupees
1	Enterprises over which Key Management Personnel has significant influence or control	Finance - Loans / Payments Given	71,409	125,596
		Legal & Professional Fees	50,937	146,068
2	Key Management Personnel	Finance - Loans / Payments Given	10,516,068	4,145,445
		Finance - Loans / Payments Received	21,233,089	31,800,000
		Directors Remuneration Paid	16,587,604	19,603,204

Part - C				
Balance Outstanding with Related Parties				
Category	Nature of Outstanding	Name of the Party	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
Key Management Personnel	Dues to Directors	Dr. Jimmy Mirchandani	10,023,615	7,692,527
		Dr. Rahul Mirchandani	16,153,298	14,553,390

30. Description of the group

The group's subsidiaries are set as below:

ENTITY	% HOLDING	Country
Aries Agro Care Pvt. Ltd.	100%	India
Aries Agro Equipments Pvt. Ltd.	100%	India
Aries Agro Produce Pvt. Ltd.	75%	India
Golden Harvest Middle East FZC	The Company having remitted contribution of 1,12,500 AED towards Equity they have been classified under Equity and the balance 1,67,65,500 AED is presently categorized under Shareholders Current Account.	UAE
Amarak Chemicals FZC	Golden Harvest Middle East FZC (Subsidiary Company of Aries Agro Limited) having remitted contribution of 22,50,000 AED towards Equity they have been classified under Equity and the balance 2,78,49,627 AED is presently categorized under Shareholders Current Account.	UAE

31. Current Assets, Loans & Advances and Provisions

- The current assets and loans and advances are approximately of the value stated, if realized in the ordinary course of business.
- The provision for all known liabilities is not in excess of the amounts reasonably necessary.
- The balances of sundry creditors, sundry debtors and loans and advances are subject to confirmation.

32. Gratuity

UAE Operations:

The liability to employees is fully provided for in the accounts.

33. Contingent liability not provided for in the accounts:

- Letters of credit / guarantees given / Bills discounting Rs. 5,392.48 Lacs.
- Claims against company not acknowledged as debts Rs. 78.55 Lacs which includes tax dues disputed as Rs. 2.68 Lacs towards sales Tax, Rs. 62.78 Lacs towards Income Tax and includes Rs. 13.09 Lacs pertaining to pending suits regarding quality issue.
- The Commissioners of Central Excise, Mumbai and Hyderabad had issued Show Cause-Cum-Demand Notices for levy of Excise Duty on clearances of Micronutrients. The Commissioner of Central Excise, Mumbai, vide his Order dated 27th November, 2006 and Commissioner of Central Excise, Hyderabad, vide his Order dated 30th November 2005 had cancelled these demands in respect of clearance upto June, 2006. The Department has preferred appeals against the said orders. The Department has issued Show Cause Notices to the Company in respect of clearances thereafter. Though, in view of the Orders referred to above and the pending appeals, no action has been taken. The Company expects no liability in this regard.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2015

34. Segmental Reporting as per Accounting Standard - 17

The Company has only One business Segment " Agro Inputs "as its primary segment and hence disclosure of segment-wise information is not required under Accounting Standard 17 'Segmental Information' notified pursuant to the Companies (Accounting Standard) Rules, 2014 (as amended).

35. There is no reasonable certainty of future prospect of the company for profit earning hence deferred tax is no provided in the books of accounts.
36. Previous Years figures have been regrouped wherever necessary so as to make them comparable with the current year.

As per our report of even date

For Kirti D Shah & Associates
Firm Registration No. 115133W
Chartered Accountants

Kirti D Shah
Proprietor
Membership No 32371

For and on behalf of the Board

Dr. Jimmy Mirchandani
Chairman & Managing Director
DIN 00239021

Dr. Rahul Mirchandani
Executive Director
DIN 00239057

Mrs. Nitya Mirchandani
Director
DIN 06882384

Prof R S S Mani
Director
DIN 00527270

Mr. C. B. Chhaya
Director
DIN 00968966

Mr. B. V. Dholakia
Director
DIN 01871816

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

Mr. Qaiser P. Ansari
Company Secretary
Membership No. ACS-8979

Place : Mumbai.
Date : 28th May, 2015

INDEPENDENT AUDITOR'S REPORT

The Shareholders'

Golden Harvest Middle East FZC
Sharjah Airport International Free Zone,
Sharjah- United Arab Emirates

Report on the financial statements

We have audited the financial statements of **Golden Harvest Middle East FZC (the Company)**, which comprise the balance sheet as at 31 March 2015, the income statement, statement of changes in Shareholders' funds and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the financial statements

The Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes; designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstance.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

Auditors' responsibility (Continued)

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of **Golden Harvest Middle East FZC**, as of 31 March 2015 and the results of its operations and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Prasad Associates
Chartered Accountants

Date: 12th May, 2015
Place: Sharjah

STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2015

	Notes	2015 AED	2014 AED
ASSETS			
Non-current assets			
Property, plant and equipment	3	5,133,631	5,838,375
Investment in subsidiaries/associates	4	3,450,000	3,450,000
		<u>8,583,631</u>	<u>9,288,375</u>
Current assets			
Inventories	5	4,599,193	4,824,111
Trade receivables	6	8,658,649	12,265,312
Prepayments and other receivables	7	2,624,994	148,968
Amounts due from related parties	8	22,244,797	24,829,880
Advance towards share application money	9	27,849,627	27,849,627
Cash and bank balances	10	322,633	22,361
Total current assets		<u>66,299,893</u>	<u>69,940,259</u>
TOTAL ASSETS		<u>74,883,524</u>	<u>79,228,634</u>
SHAREHOLDERS' FUNDS AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share capital	11	150,000	150,000
Shareholders' current accounts	12	20,537,700	19,791,000
Retained earnings		21,924,051	19,955,756
Reserve fund	13	75,000	75,000
Total shareholders' funds		<u>42,686,751</u>	<u>39,971,756</u>
Non Current liabilities			
Provision for employees' terminal benefits	14	203,407	188,714
Term loans - non current portion	15	-	5,925
Total non - current liabilities		<u>203,407</u>	<u>194,639</u>
Current liabilities			
Trade payables and accruals	16	3,768,726	5,734,850
Bank borrowings	17	22,428,525	22,428,525
Amounts due to related parties	8	5,789,415	10,889,156
Term loans - current portion	15	6,700	9,708
Total current liabilities		<u>31,993,366</u>	<u>39,062,239</u>
Total liabilities		<u>32,196,773</u>	<u>39,256,878</u>
TOTAL SHAREHOLDERS' FUNDS AND LIABILITIES		<u>74,883,524</u>	<u>79,228,634</u>

We confirm that we are responsible for these financial statements, including selecting the accounting policies and making judgements underlying them.

For Golden Harvest Middle East FZC

Place: Sharjah

Date : 12 May 2015

Director

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2015

	Notes	2015 AED	2014 AED
INCOME			
Sales	18	22,988,050	21,394,692
Cost of sales	19	(17,462,846)	(15,993,126)
GROSS PROFIT		5,525,204	5,401,566
Other Income	20	1,388	10,811
TOTAL INCOME		5,526,592	5,412,377
EXPENSES			
Administration, selling and general expenses	21	1,853,065	1,908,115
Finance charges	22	904,205	819,512
Depreciation	3	801,027	811,160
		3,558,297	3,538,787
Net profit for the year		1,968,295	1,873,590

For Golden Harvest Middle East FZC

Place: Sharjah
Date : 12 May 2015

Director

STATEMENT OF CHANGES IN SHAREHOLDERS' FUNDS FOR THE YEAR ENDED 31 MARCH 2015

Year to 31 March 2015	Share capital AED	Shareholders' current accounts AED	Retained earnings AED	Reserve fund AED	Total AED
Balance at 1 April 2014	150,000	19,791,000	19,955,756	75,000	39,971,756
Net profit for the year	-	-	1,968,295	-	1,968,295
Net movement in current accounts	-	746,700	-	-	746,700
Balance at 31 March 2015	150,000	20,537,700	21,924,051	75,000	42,686,751
Year to 31 March 2014	Share capital AED	Shareholders' current accounts AED	Retained earnings AED	Reserve fund AED	Total AED
Balance at 1 April 2013	150,000	18,748,000	18,082,166	75,000	37,055,166
Net profit for the year	-	-	1,873,590	-	1,873,590
Net movement in current accounts	-	1,043,000	-	-	1,043,000
Balance at 31 March 2014	150,000	19,791,000	19,955,756	75,000	39,971,756

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2015

	2015 AED	2014 AED
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit for the year	1,968,295	1,873,590
Adjustment for:		
Depreciation	801,027	811,160
Provision for employees' terminal benefits	14,693	94,071
Loss/(profit) on sale of property, plant and equipment	217	(8,791)
Operating profit before working capital changes	2,784,232	2,770,030
Decrease in inventories	224,918	102,984
Decrease/(increase) in trade receivables	3,606,663	(8,268,749)
(Increase)/decrease in prepayments and other receivables	(2,476,026)	2,653,836
Decrease in amounts due from related party	2,585,083	2,414,584
(Decrease) in accounts payable and accruals	(1,966,124)	(2,715,029)
(Decrease)/increase in amounts due to related party	(5,099,741)	2,303,821
Net cash (used in) operating activities	(340,995)	(738,523)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(96,500)	(48,503)
Proceeds from sale of property, plant and equipment	-	120,289
Net cash (used in)/from investing activities	(96,500)	71,786
CASH FLOWS FROM FINANCING ACTIVITIES		
Net movement in current accounts	746,700	1,043,000
(Decrease) in term loans	(8,933)	(93,436)
(Decrease) in short term loans	-	(352,800)
Net cash from financing activities	737,767	596,764
Net increase/(decrease) in cash and cash equivalents	300,272	(69,973)
Cash and cash equivalents at beginning of the year	22,361	92,334
Cash and cash equivalents at end of the year	322,633	22,361

For Golden Harvest Middle East FZC

Place: Sharjah
Date : 12 May 2015

Director

Notes to the Financial Statements for the year ended 31 March 2015

1. LEGAL STATUS AND ACTIVITY

Legal status: Golden Harvest Middle East (FZC) (the "Company") is a Free Zone Company with limited liability incorporated and licensed at Sharjah Airport International Free (SAIF) Zone, Sharjah pursuant to Sharjah Emiri Decree No 2 of 1995.

The Company was incorporated on 31 October 2004 and operating under Industrial License No. 03146 issued by SAIF Zone Authorities.

Activity: The principal activity of the Company is manufacturing organic and chemical fertilizers. The principal place of the business of the Company is located at P3-04, Sharjah Airport International Free Zone, Sharjah, United Arab Emirates.

These separate financial statements relates to the operations of Golden Harvest Middle East (FZC) and do not include the results of operations of its subsidiary Company M/s Amarak Chemicals FZC, Fujairah, United Arab Emirates.

Management: The Company is managed by Mr. Chalakudi Subramani Shankaranarayan and Mr. Akshay Mirchandani, Indian nationals.

Accounting period: These financial statements relate to the period from 1 April 2014 till 31 March 2015.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES

2.1 Basis of preparation

Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) that are relevant to the operations of the Company.

The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied in dealing with items considered material to the Company's financial statements.

Basis of measurement

The financial statements are prepared under the historical cost convention, modified to incorporate changes to the carrying values of property, plant and equipment as described in note 3 to the financial statements.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.4 to the financial statements.

2.2 Changes in accounting policy and disclosures

New standards, amendments and interpretations adopted by the company

The following are the list of the amendments to IFRSs and the new Interpretation that are mandatorily effective for accounting periods that begin on or after 1 January 2014.

Amendments to IFRS 10, IFRS 12 and IAS 27 Investment

Entities: The amendments to IFRS 10 define an investment entity and introduce an exception from the requirement to consolidate subsidiaries for an investment entity. In terms of the exception, an investment entity is required to measure its interest in subsidiaries at fair value through profit or loss. The exception does not apply to subsidiaries of investment entities that provide services that relate to the investment entity's investment activities. Consequential amendments to IFRS 12 and IAS 27 have been made to introduce new disclosure requirements for investment entities.

Amendment to IAS 32: 'Financial instruments: Presentation' on offsetting financial assets and financial liabilities. This amendment clarifies that the right of set-off must not be contingent on a future event. It must also be legally enforceable for all counterparties in the normal course of business, as well as in the event of default, insolvency or bankruptcy. The amendment also considers settlement mechanisms. The amendment did not have a significant effect on the company's financial statements.

Amendments to IAS 36: 'Impairment of assets', on the recoverable amount disclosures for non-financial assets. This amendment removed certain disclosures of the recoverable amount of CGUs which had been included in IAS 36 by the issue of IFRS 13.

Amendment to IAS 39: 'Financial instruments: Recognition and measurement' on the novation of derivatives and the continuation of hedge accounting. This amendment considers legislative changes to 'over-the-counter' derivatives and the establishment of central counterparties. Under IAS 39 novation of derivatives to central counterparties would result in discontinuance of hedge accounting. The amendment provides relief from discontinuing hedge accounting when novation of a hedging instrument meets specified criteria. The company has applied the amendment and there has been no significant impact on the company's financial statements as a result.

IFRIC 21: 'Levies', sets out the accounting for an obligation to pay a levy if that liability is within the scope of IAS 37 'Provisions'. The interpretation addresses what the obligating event is that gives rise to pay a levy and when a liability should be recognized. The Company is not currently subjected to significant levies so the impact on the Company is not material. Other standards, amendments and interpretations which are effective for the financial year beginning on 1 January 2014 are not material to the company.

New standards, amendments and interpretations not yet adopted

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 January 2014, and have not been applied in preparing this financial statement. None of these is expected to have a significant effect on the financial statements of the Company, except the following set out below:

IFRS 9: 'Financial instruments', addresses the classification, measurement and recognition of financial assets and financial liabilities. The complete version of IFRS 9 was issued in July 2014. It replaces the guidance in IAS 39 that relates to the classification and measurement of financial instruments. IFRS

Notes to the Financial Statements for the year ended 31 March 2015

9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through OCI and fair value through P&L. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in OCI not recycling. There is now a new expected credit losses model that replaces the incurred loss impairment model used in IAS 39. For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss. IFRS 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management actually use for risk management purposes. Contemporaneous documentation is still required but is different to that currently prepared under IAS 39. The standard is effective for accounting periods beginning on or after 1 January 2018. Early adoption is permitted. The company is yet to assess IFRS 9's full impact.

IFRS 15: 'Revenue from contracts with customers' deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognized when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The standard replaces IAS 18 'Revenue' and IAS 11 'Construction contracts' and related interpretations. The standard is effective for annual periods beginning on or after 1 January 2017 and earlier application is permitted. The company is assessing the impact of IFRS 15.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

2.3 Significant accounting policies

a) Property, plant and equipment

Property, plant and equipment are initially recorded at cost together with any incidental expenses of acquisition or construction. Subsequently they are stated at cost less accumulated depreciation and accumulated impairment losses.

Major costs incurred in restoring property, plant and equipment to their normal working condition are charged to the income statement. Improvements are capitalized and depreciated over their expected useful lives.

b) Depreciation

The cost of property, plant and equipment is depreciated by equal annual installments over the estimated useful lives of the assets. The estimated useful lives of the assets for the calculation of depreciation are as follows:

Building	20 years
Machineries	10 years
Equipment	5 years
Office furniture	5 years
Motor vehicle	4 years

c) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

d) Employees' terminal benefits

Termination benefits are paid to employees' when employment is terminated by the Company before the normal retirement date or whenever an employee accepts voluntary retirement in exchange for these benefits.

Provision is made for employees' terminal benefits on the basis prescribed under the U.A.E Labour Law based on employees' salaries and number of years of service. The terminal benefits are paid to employees on termination or completion of their term of employment.

e) Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a weighted average basis. Cost of inventories comprises of costs of purchase, and where applicable cost of conversion and other costs that has been incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

f) Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Accounts payable are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

g) Cash and cash equivalents

Cash and cash equivalents comprise short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Notes to the Financial Statements for the year ended 31 March 2015

h) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied stated net of discounts, returns etc.

Revenue from the sale of goods is recognized when all the following conditions are satisfied:

- (i) the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- (ii) the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- (iii) the amount of revenue can be measured reliably;
- (iv) it is probable that the economic benefits associated with the transaction will flow to the Company; and
- (v) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

i) Foreign currencies

Functional and presentation currency

The financial statements are presented in UAE Dirham (AED), which is the Company's functional and presentation currency.

Transaction and balances

Transactions in foreign currencies are translated into the functional currency using the exchange rates prevailing at the transaction dates. Monetary assets and liabilities expressed in foreign currencies at the balance sheet date are translated at rates of exchange ruling at the balance sheet date. Exchange differences arising in these cases are dealt with in the income statement.

j) Trade receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade receivables originated by the Company are measured at cost. An allowance for credit losses of trade receivable is established when there is objective evidence that the Company will not be able to collect the amounts due. Indicators that the trade receivable are impaired include consistent default in the payments when due, financial difficulties of the customer and other indicators.

When a trade receivable is considered uncollectible, it is written off against the allowance account for credit losses. Subsequent recoveries of amounts previously written off are credited in the statement of income. The carrying value of trade receivable approximate to their fair value due to the short term nature of those receivables.

k) Finance charges

Finance charges that are directly attributable to the acquisition and construction of property and equipment are capitalized as part of the cost of those assets. Other finance charges are recognized as an expense in the year in which they are incurred.

l) Financial instruments

Financial assets and financial liabilities are recognized on the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

m) Impairment

Financial assets

At each balance sheet date, the Company assesses if there is any objective evidence indicating impairment of financial assets or non-collectability of receivables.

An impairment loss, if any, arrived at as a difference between the carrying amount and the recoverable amount, is recognized in the statement of income. The recoverable amount represents the present value of expected future cash flows discounted at original effective interest rate. Cash flows relating to short term receivables are not discounted.

Non-financial assets

At each balance sheet date, the Company assesses if there is any indication of impairment of non-financial assets. If an indication exists, the Company estimates the recoverable amount of the asset and recognizes an impairment loss in the statement of income. The Company also assesses if there is any indication that an impairment loss recognized in prior years no longer exists or has reduced. The resultant impairment loss or reversals are recognized immediately in the statement of income.

n) Financial liabilities

All financial liabilities are initially measured at cost and are subsequently measured at amortized cost. The effective interest method is a method of calculating the amortized cost of a financial liability and allocating interest expense over the relevant period.

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or expired.

o) Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. It can also be a present obligation arising from the past events that is not recognized because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

Contingent liabilities are not recognized but are disclosed in the notes to the accounts. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognized as provision.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognized but are disclosed in the notes to the accounts when an inflow of economic benefits is probable. When an inflow is virtually certain, an asset is recognized.

2.4 Significant accounting estimates

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Notes to the Financial Statements for the year ended 31 March 2015

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revisions affect both current and future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet, that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

Impairment of trade receivables and amounts due from related parties

An estimate of the collectible amount of trade accounts receivable and related parties is made when collection of the full amount is no longer probable. For individually significant amounts, this estimation is performed on an individual basis. Amounts which are not individually significant, but which are past due, are assessed collectively and an allowance applied according to the length of time past due, based on historical recovery rates. Any difference between the amounts actually collected in future periods and the amounts expected to be collected will be recognized in the income statement.

Impairment of property and equipment

A decline in the value of property and equipment could have a significant effect on the amounts recognized in the financial statements. Management assesses the impairment of property and equipment whenever events or changes in circumstances indicate that the carrying value may not be recoverable.

Factors that are considered important which could trigger an impairment review include the following:

- significant changes in the technology and regulatory environments
- evidence from internal reporting which indicates that the economic performance of the asset is, or will be, worse than expected.

Useful life of property and equipment

The Company's management determines the estimated useful lives of its property and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual value and useful lives annually and future depreciation charge would be adjusted where the management believes the useful lives differ from previous estimates.

3. PROPERTY, PLANT AND EQUIPMENT

Movement in property, plant and equipment are given on page number 112.

Motor vehicles purchased under financing arrangements are subject to a charge.

4. INVESTMENTS

(Un-quoted at cost)

At the balance sheet date, the Company had investment in the associate company in (i) below in accordance with the terms and conditions of the Memorandum and Articles of Associations of the associate company. The associate company is in the

process of setting up a manufacturing facility and has not commenced commercial operations till date.

At the balance sheet date, the investment in associate amounting to AED 1,200,000 has not been reflected in the statutory records of the associate Company maintained by the Hamriyah Free Zone Authority.

The Company had also invested in a subsidiary Company mentioned in (ii) below.

	Name of associate/ subsidiary	Activity	Percentage of holding	2015 AED	2014 AED
(i)	Mapco Fertilizer Industries FZC, Hamriyah Free Zone, Sharjah (25 shares of AED 48,000)	Manufacture of chemical fertilizers	25%	1,200,000	1,200,000
(ii)	Amarak Chemicals FZC, Fujairah Free Zone, Fujairah (15,000 shares of AED 150)	Manufacture of chemical fertilizers	75%	2,250,000	2,250,000
				3,450,000	3,450,000

The above investments are accounted using cost method.

5. INVENTORIES

	2015 AED	2014 AED
Raw materials	3,597,956	3,484,768
Finished goods	965,126	1,282,221
Packing materials	36,111	57,122
	4,599,193	4,824,111

Inventories represent goods lying in the warehouse premises at SAIF Zone, Sharjah, United Arab Emirates which are valued and certified by the technical personnel of the Company.

6. TRADE RECEIVABLES

	2015 AED	2014 AED
Trade receivables	8,658,649	12,265,312
	8,658,649	12,265,312

- At 31 March 2015, 100% of the net trade receivables (2014 – 97%) are due from 4 customers (2014 – 3 customers).
- In the opinion of the management, the receivables are considered good and fully recoverable.
- The aging analysis of the trade receivables are as follows:

	2015 AED	2014 AED
Due for less than 6 months	5,021,318	12,265,312
Due for more than 6 months	3,637,331	-
	8,658,649	12,265,312

Notes to the Financial Statements for the year ended 31 March 2015

7. PREPAYMENTS AND OTHER RECEIVABLES

	2015 AED	2014 AED
Prepayments	101,405	102,262
Deposits	33,900	41,700
Loans and advances	26,100	5,006
Advance paid to suppliers	2,463,589	-
	2,624,994	148,968

8. RELATED PARTY BALANCES

The Company has in the ordinary course of business, entered into trading, financial and service transactions with concerns in which the shareholders' /directors'/manager of the Company or their relatives have an investing / controlling interest.

The prices and terms of these transactions were approved by the management and considered comparable to those charged by third parties. The amounts outstanding from/to related parties are unsecured, which do not attract interest and are payable on demand. No expense has been recognized in the period for bad or doubtful debts in respect of the amounts owed by related parties.

At the end of the reporting period, amounts due from/to related parties were as follows:-

Amount due from related parties	2015 AED	2014 AED
MAPCO Fertilizers FZC, Hamriyah Free Zone, Sharjah	3,232,246	3,198,560
Amarak Chemicals FZC, Fujairah	17,421,426	20,027,883
Aries Agro Limited, Mumbai	1,591,125	1,603,437
	22,244,797	24,829,880

The amount due from MAPCO Fertilizers FZC amounting to AED 3,232,246 is subject to confirmation/reconciliation.

Amount due to related parties	2015 AED	2014 AED
Aries Agro Limited	5,503,113	10,711,184
Mirabelle Holdings	141,222	177,972
Amarak Chemicals FZC, Fujairah	145,080	-
	5,789,415	10,889,156

During the year, the Company entered into the following transactions with related parties:-

	2015 AED	2014 AED
Sales	8,008,934	7,258,493
Purchases	350,471	15,090,300

Key management compensation (including Director's emoluments)

	2015 AED	2014 AED
Directors' remuneration	528,000	522,000
	528,000	522,000

9. ADVANCE TOWARDS SHARE APPLICATION MONEY

This represents amount paid to the subsidiary Company, Amarak Chemicals FZC, Fujairah Free Zone towards advance for allotment of shares.

10. CASH AND BANK BALANCES

	2015 AED	2014 AED
Cash in hand	3,673	4,204
Current account with banks	318,960	18,157
	322,633	22,361

11. SHARE CAPITAL

	2015 AED	2014 AED
Authorised, issued and paid-up capital	150,000	150,000
(1,500 shares of AED 100 each)		
	150,000	150,000

12. SHAREHOLDERS' CURRENT ACCOUNTS

Shareholders' current account balances do not attract interest and there are no defined repayment arrangements.

13. RESERVE FUND

This represents reserve created out of profit of the Company in accordance with the provisions of Memorandum and Articles of Association of the Company.

14. PROVISION FOR EMPLOYEES' TERMINAL BENEFITS

The provision for end of service benefits for employees is made in accordance with the requirements of the U.A.E. Labour Laws. This is an unfunded defined benefits retirement plan. Employees are entitled to benefits based on length of service and final remuneration. Accrued employees' terminal benefits are payable on termination of employment.

15. TERM LOANS

	2015 AED	2014 AED
Motor vehicle loans	6,700	15,633
	6,700	15,633

Installments falling due within 12 months of the balance sheet date - classified as current liabilities.

	2015 AED	2014 AED
Current portion	6,700	9,708
Non - current portion	-	5,925

Non-current portion represent installments on motor vehicle loans and Bank term loans not payable within 12 months from the balance sheet date. Motor vehicle loan taken from finance companies for purchase of motor vehicles are secured by a charge on the motor vehicle purchased under such financing arrangements.

Notes to the Financial Statements for the year ended 31 March 2015

16. TRADE PAYABLES AND ACCRUALS

	2015 AED	2014 AED
Trade payables	1,810,758	2,955,448
Accrued expenses	598,218	758,152
Other payables	1,359,750	2,021,250
	3,768,726	5,734,850

17. BANK BORROWINGS

This represents short term loan taken from a financial institution which bears interest at commercial rates.

The above loan is secured against standby LC issued by Axis Bank, India for USD 5,435,997 and corporate guarantee of M/s Aries Agro Ltd, Mumbai, the shareholder of the Company.

18. SALES

	2015 AED	2014 AED
Trading	14,713,841	13,985,212
Manufacturing	8,274,209	7,409,480
	22,988,050	21,394,692

19. COST OF SALES

	2015 AED	2014 AED
Opening inventories	4,824,112	4,927,095
Purchases	16,684,927	15,262,599
Direct expenses	553,000	627,544
Less: Closing inventories	(4,599,193)	(4,824,112)
	17,462,846	15,993,126

20. OTHER INCOME

	2015 AED	2014 AED
Other income	1,388	2,020
Profit on sale of property, plant and equipment	-	8,791
	1,388	10,811

21. ADMINISTRATION , SELLING AND GENERAL EXPENSES

	2015 AED	2014 AED
Salaries and benefits	683,095	857,803
Rent expenses	184,035	184,300
Legal and professional charges	60,172	81,141
Communication expenses	39,970	36,726
Insurance charges	24,916	25,785
Repairs and maintenance	6,874	2,850
Advertisement and business promotion expenses	3,000	12,000
Printing and stationery	2,113	6,252
Traveling, and conveyance	1,561	11,565
Other expenses	847,329	689,693
	1,853,065	1,908,115

22. FINANCE CHARGES

	2015 AED	2014 AED
Bank charges	27,837	16,985
Interest charges	876,368	802,527
	904,205	819,512

23. FINANCIAL RISK AND CAPITAL MANAGEMENT

23.1 Financial risk factors

Financial assets of the Company include cash, bank balances, trade receivables, deposits, advances and amount due from related parties. Financial liabilities include amounts due to related party, trade payables, short term loans and accruals.

The management believes that the fair values of the financial assets and liabilities approximate to their carrying amounts.

The Company's financial risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects of the financial performance. Under the Company's risk management programme, management identifies and documents key risks and sets out policies and procedures required to mitigate these risks. The identified key risks are:

a) Currency risk

The majority of the Company's financial assets and financial liabilities are either denominated in local currency (AED) or currencies fixed to the AED. Hence the management believes that there would not be a material impact on the profitability if these foreign currencies weakens or strengthens against the AED with all over variables held constant.

b) Credit risk

The Company is potentially exposed to concentration of credit risk from its financial assets which comprise principally bank balances and trade receivables. The Company's bank accounts are placed with high credit quality financial institutions. The credit risk on trade receivables is subjected to credit evaluations and an allowance has been made for estimated irrecoverable amounts. The amounts presented in the balance sheet are net of allowances for doubtful receivables.

The Company is not exposed to any significant concentration of credit risk because its exposure is spread over financial institutions and a large number of customers.

c) Liquidity risk

The Company manages its liquidity risk by ensuring it has sufficient liquid cash balances to meet its payment obligations as they fall due.

The Company maintains good working relations with its banks and ensures compliance with the covenants as stipulated in the facility agreements.

23.2 Capital management

The Company's objectives when managing capital are to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders by

Notes to the Financial Statements for the year ended 31 March 2015

pricing products and services commensurately with the level of risk.

The Company sets the amount of capital funds in accordance with the planned level of operations and in proportion to the levels of risk. The Company manages the shareholders' funds and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the shareholders' funds, the Company may adjust the amount of dividends paid to shareholders, return funds to shareholders, issue new shares, or sell assets to reduce its exposure to debt.

24. CAPITAL COMMITMENTS

Except for the ongoing business obligations which are under normal course of business against which no loss is expected, there has been no other known capital commitment on Company's financial statements as of reporting date.

25. CONTINGENT LIABILITIES

Except for the ongoing business obligations which are under normal course of business against which no loss is expected, there has been no other known contingent liability on Company's financial statements as of reporting date.

26. COMPARATIVE FIGURES

Previous year's figures have been regrouped or reclassified wherever necessary to make them comparable to those of the current year.

However such reclassification do not have impact on the previously reported profit or equity.

27. LEVEL OF PRECISION

All figures are rounded off to nearest Dirhams (AED).

28. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved by the shareholders and authorized for issue on 12 May 2015.

3 PROPERTY, PLANT AND EQUIPMENT

	Building AED	Machineries AED	Equipments AED	Office furniture AED	Motor vehicles AED	Total AED
Cost:						
at 1 April 2014	2,695,473	6,385,237	72,634	54,752	33,500	9,241,596
additions during the year	-	94,000	2,500	-	-	96,500
written off during the year	-	(217)	-	-	-	(217)
at 31 March 2015	2,695,473	6,479,020	75,134	54,752	33,500	9,337,879
Depreciation:						
at 1 April 2014	725,325	2,550,526	58,896	54,752	13,722	3,403,221
charge for the year	134,774	643,376	14,502	-	8,375	801,027
at 31 March 2015	860,099	3,193,902	73,398	54,752	22,097	4,204,248
Net book values:						
at 31 March 2015	1,835,374	3,285,118	1,736	-	11,403	5,133,631
at 31 March 2014	1,970,148	3,834,711	13,738	-	19,778	5,838,375

INDEPENDENT AUDITOR'S REPORT

The Shareholders'
Amarak Chemicals FZC
Fujairah Free Zone,
Fujairah- United Arab Emirate

Report on the financial statements

We have audited the financial statements of **Amarak Chemicals FZC**, (the Company), which comprise the balance sheet as at 31 March 2015, the income statement, statement of changes in Shareholders' funds and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the financial statements

The Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes; designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstance.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

Auditors' responsibility (Continued)

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of **Amarak Chemicals FZC** as of 31 March 2015 and the results of its operations and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Prasad Associates
Chartered Accountants

Date: 20th May, 2015
Place: Dubai

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2015

	Notes	2015 AED	2014 AED
ASSETS			
Non-current assets			
Property, plant and equipment	3	32,910,549	33,220,128
Total non-current assets		32,910,549	33,220,128
Current assets			
Inventories	4	21,874,057	18,026,541
Trade receivables	5	12,156,257	10,852,481
Amounts due from related parties	6	145,080	-
Deposits, advances and prepayments	7	8,518,490	10,355,325
Cash and bank balances	8	37,333	99,628
Total current assets		42,731,217	39,333,975
TOTAL ASSETS		75,641,766	72,554,103
SHAREHOLDERS' FUNDS AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share capital	9	3,000,000	3,000,000
Shareholders' current accounts	10	8,522,464	7,244,454
Legal reserve	11	653,409	444,221
Retained earnings		4,644,226	2,761,538
Total shareholders' equity		16,820,099	13,450,213
Share application money	12	27,849,627	27,849,627
Total shareholders' funds		44,669,726	41,299,840
Non Current liabilities			
Provision for employees' terminal benefits	13	203,457	169,183
Term loans - non current portion	14	174,408	182,487
Total non -current liabilities		377,865	351,670
Current liabilities			
Trade payables and accruals	15	10,287,924	10,031,273
Amounts due to related parties	6	20,065,258	20,623,360
Term loans - current portion	14	240,993	247,960
Total current liabilities		30,594,175	30,902,593
Total liabilities		30,972,040	31,254,263
TOTAL SHAREHOLDERS' FUNDS AND LIABILITIES		75,641,766	72,554,103

We confirm that we are responsible for these financial statements, including selecting the accounting policies and making judgements underlying them.

For Amarak Chemicals FZC

Place: Fujairah
Date: 20 May 2015

Director

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2015

	Notes	2015 AED	2014 AED
INCOME			
Sales		28,067,614	30,598,997
Cost of sales	16	(16,138,942)	(18,135,534)
GROSS PROFIT		11,928,672	12,463,463
Other income		32,397	1,624
TOTAL INCOME		11,961,069	12,465,087
EXPENSES			
Administration and general expenses	17	4,908,440	5,011,138
Finance charges	18	938,555	1,042,233
Depreciation	3	4,022,198	3,784,507
		9,869,193	9,837,878
Net profit for the year		2,091,876	2,627,209

**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED 31 MARCH 2015**

Year to 31 March 2015	Share capital	Shareholders' current accounts	Retained earnings	Legal reserve	Total
	AED	AED	AED	AED	AED
Balance at 1 April 2014	3,000,000	7,244,454	2,761,538	444,221	13,450,213
Net profit for the year	-	-	2,091,876	-	2,091,876
Transfer to legal reserve	-	-	(209,188)	209,188	-
Net movements in current accounts	-	1,278,010	-	-	1,278,010
Balance at 31 March 2015	3,000,000	8,522,464	4,644,226	653,409	16,820,099

Year to 31 March 2014	Share capital	Shareholders' current accounts	Retained earnings	Legal reserve	Total
	AED	AED	AED	AED	AED
Balance at 1 April 2013	3,000,000	6,967,454	397,050	181,500	10,546,004
Net profit for the year	-	-	2,627,209	-	2,627,209
Transfer to legal reserve	-	-	(262,721)	262,721	-
Net movements in current accounts	-	277,000	-	-	277,000
Balance at 31 March 2014	3,000,000	7,244,454	2,761,538	444,221	13,450,213

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2015

	2015 AED	2014 AED
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit for the year	2,091,876	2,627,209
Adjustment for:		
Depreciation	4,022,198	3,784,507
Profit on disposal of property, plant and equipment	(24,864)	
Provision for employees' terminal benefits	34,274	70,419
Operating profit before working capital changes	6,123,484	6,482,135
(Increase) in inventories	(3,847,516)	(1,038,022)
(Increase) in accounts receivable	(1,303,776)	(2,310,920)
(Increase) in amounts due from related parties	(145,080)	
Decrease/(Increase) in deposits, advances and prepayments	1,836,835	(2,739,400)
Increase in accounts payable and accruals	256,651	3,591,091
(Decrease) in amounts due to related party	(558,102)	(3,517,797)
Net cash from operating activities	2,362,496	467,087
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(3,725,754)	(1,046,509)
Proceeds from sale of property, plant and equipment	37,999	-
Net cash (used in) investing activities	(3,687,755)	(1,046,509)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net movement in current accounts	1,278,010	277,000
(Decrease)/Increase in term loans	(15,046)	150,044
Net cash from financing activities	1,262,964	427,044
Net (decrease)/increase in cash and cash equivalents	(62,295)	(152,378)
Cash and cash equivalents at beginning of the year	99,628	252,006
Cash and cash equivalents at end of the year	37,333	99,628

For Amarak Chemicals FZC

Place: Fujairah
Date: 20 May 2015

Director

Notes To The Financial Statements For The Year Ended 31 March 2015

1. LEGAL STATUS AND ACTIVITY

Legal status :Amarak Chemicals FZC ("the Company") is a Free Zone Company registered in Fujairah Free Zone in the Emirate of Fujairah with limited liability pursuant to and the Implementing Regulations issued there under by the Fujairah Free Zone Authority.

The Company is operating under license No 2084 issued on 9 September 2007 by Fujairah Free Zone Authority, Fujairah, United Arab Emirates.

Activity: The principal activity of the Company is manufacturing of chemicals and fertilizers. The principal place of business of the Company is located at Fujairah Free Zone, Fujairah, United Arab Emirates.

Management: As per license issued by Fujairah Free Zone Authority, Mr. Subramani Shankaranarayan Chalakudi and Mr. Akshay Mirchandani, Indian Nationals are appointed as Directors of the Company.

Accounting period: These financial statements relate to the period from 1 April 2014 till 31 March 2015.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES

2.1 Basis of preparation

Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) that are relevant to the operations of the Company.

The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied in dealing with items considered material to the Company's financial statements.

Basis of measurement

The financial statements are prepared under the historical cost convention, modified to incorporate changes to the carrying values of property, plant and equipment as described in note 3 to the financial statements.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.4 to the financial statements.

2.2 Changes in accounting policy and disclosures

New standards, amendments and interpretations adopted by the company

The following are the list of the amendments to IFRSs and the new Interpretation that are mandatorily effective for accounting periods that begin on or after 1 January 2014.

Amendments to IFRS 10, IFRS 12 and IAS 27 Investment Entities: The amendments to IFRS 10 define an investment entity and introduce an exception from the requirement to consolidate subsidiaries for an investment entity. In terms of the exception, an investment entity is required to measure its interest in subsidiaries at fair value through profit or loss. The exception does not apply to subsidiaries of investment entities that provide services that relate to the investment entity's investment activities. Consequential amendments to IFRS 12 and IAS 27 have been made to introduce new disclosure requirements for investment entities.

Amendment to IAS 32: 'Financial instruments: Presentation' on offsetting financial assets and financial liabilities. This amendment clarifies that the right of set-off must not be contingent on a future event. It must also be legally enforceable for all counterparties in the normal course of business, as well as in the event of default, insolvency or bankruptcy. The amendment also considers settlement mechanisms. The amendment did not have a significant effect on the company's financial statements.

Amendments to IAS 36: 'Impairment of assets', on the recoverable amount disclosures for non-financial assets. This amendment removed certain disclosures of the recoverable amount of CGUs which had been included in IAS 36 by the issue of IFRS 13.

Amendment to IAS 39: 'Financial instruments: Recognition and measurement' on the novation of derivatives and the continuation of hedge accounting. This amendment considers legislative changes to 'over-the-counter' derivatives and the establishment of central counterparties. Under IAS 39 novation of derivatives to central counterparties would result in discontinuance of hedge accounting. The amendment provides relief from discontinuing hedge accounting when novation of a hedging instrument meets specified criteria. The company has applied the amendment and there has been no significant impact on the company's financial statements as a result.

IFRIC 21: 'Levies', sets out the accounting for an obligation to pay a levy if that liability is within the scope of IAS 37 'Provisions'. The interpretation addresses what the obligating event is that gives rise to pay a levy and when a liability should be recognized. The Company is not currently subjected to significant levies so the impact on the Company is not material. Other standards, amendments and interpretations which are effective for the financial year beginning on 1 January 2014 are not material to the company.

2.2 Changes in accounting policy and disclosures (Continued)

New standards, amendments and interpretations not yet adopted

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 January 2014, and have not been applied in preparing this financial statement. None of these is expected to have a significant effect on the financial statements of the Company, except the following set out below:

IFRS 9: 'Financial instruments', addresses the classification, measurement and recognition of financial assets and financial liabilities. The complete version of IFRS 9 was issued in July 2014. It replaces the guidance in IAS 39 that relates to the classification and measurement of financial instruments. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through OCI and fair value through P&L. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in OCI not recycling. There is now a new expected credit losses model that replaces the incurred loss impairment model used in IAS 39. For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss. IFRS 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management actually use for risk management purposes. Contemporaneous documentation is still required but is different to that currently prepared under IAS 39. The standard is effective for accounting periods beginning on or after 1 January 2018. Early adoption is permitted. The company is yet to assess IFRS 9's full impact.

IFRS 15: 'Revenue from contracts with customers' deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognized when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The standard replaces IAS 18 'Revenue' and IAS 11 'Construction contracts' and related interpretations. The standard is effective for annual periods beginning on or after 1 January 2017 and earlier application is permitted. The company is assessing the impact of IFRS 15.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

2.3 Significant accounting policies

a) Property, plant and equipment

Property, plant and equipment are initially recorded at cost together with any incidental expenses of acquisition or construction. Subsequently they are stated at cost less accumulated depreciation and accumulated impairment losses.

Major costs incurred in restoring property, plant and equipment to their normal working condition are charged to the income statement. Improvements are capitalized and depreciated over their expected useful lives.

b) Depreciation

The cost of property, plant and equipment is depreciated by equal annual installments over the estimated useful lives of the assets. The estimated useful lives of the assets for the calculation of depreciation are as follows:

Building	20 years
Machinery	10 years
Furniture, fixture and office equipment	5 years
Motor vehicle	4 years

c) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

d) Employees' terminal benefits

Termination benefits are paid to employees' when employment is terminated by the Company before the normal retirement date or whenever an employee accepts voluntary retirement in exchange for these benefits.

Provision is made for employees' terminal benefits on the basis prescribed under the U.A.E Labour Law based on employees' salaries and number of years of service. The terminal benefits are paid to employees on termination or completion of their term of employment.

e) Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a weighted average basis. Cost of inventories comprises of costs of purchase, and where applicable cost of conversion and other costs that has been incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

f) Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Accounts payable are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

g) Cash and cash equivalents

Cash and cash equivalents comprise short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

h) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied stated net of discounts, returns etc.

Revenue from the sale of goods is recognized when all the following conditions are satisfied:

- (i) the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- (ii) the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- (iii) the amount of revenue can be measured reliably;
- (iv) it is probable that the economic benefits associated with the transaction will flow to the Company; and
- (v) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

i) Foreign currencies*Functional and presentation currency*

The financial statements are presented in UAE Dirham (AED), which is the Company's functional and presentation currency.

Transaction and balances

Transactions in foreign currencies are translated into the functional currency using the exchange rates prevailing at the transaction dates. Monetary assets and liabilities expressed in foreign currencies at the balance sheet date are translated at rates of exchange ruling at the balance sheet date. Exchange differences arising in these cases are dealt with in the income statement.

j) Trade receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade receivables originated by the Company are measured at cost. An allowance for credit losses of trade receivable is established when there is objective evidence that the Company will not be able to collect the amounts due. Indicators that the trade receivable are impaired include consistent default in the payments when due, financial difficulties of the customer and other indicators. When a trade receivable is considered uncollectible, it is written off against the allowance account for credit losses. Subsequent recoveries of amounts previously written off are credited in the statement of income. The carrying value of trade receivable approximate to their fair value due to the short term nature of those receivables.

k) Finance charges

Finance charges that are directly attributable to the acquisition and construction of property and equipment are capitalized as part of the cost of those assets. Other finance charges are recognized as an expense in the year in which they are incurred.

l) Financial instruments

Financial assets and financial liabilities are recognized on the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

m) **Impairment**

Financial assets

At each balance sheet date, the Company assesses if there is any objective evidence indicating impairment of financial assets or non-collectability of receivables.

An impairment loss, if any, arrived at as a difference between the carrying amount and the recoverable amount, is recognized in the statement of income. The recoverable amount represents the present value of expected future cash flows discounted at original effective interest rate. Cash flows relating to short term receivables are not discounted.

Non-financial assets

At each balance sheet date, the Company assesses if there is any indication of impairment of non-financial assets. If an indication exists, the Company estimates the recoverable amount of the asset and recognizes an impairment loss in the statement of income. The Company also assesses if there is any indication that an impairment loss recognized in prior years no longer exists or has reduced. The resultant impairment loss or reversals are recognized immediately in the statement of income.

n) **Financial liabilities**

All financial liabilities are initially measured at cost and are subsequently measured at amortized cost. The effective interest method is a method of calculating the amortized cost of a financial liability and allocating interest expense over the relevant period.

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or expired.

o) **Contingent liabilities and contingent assets**

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. It can also be a present obligation arising from the past events that is not recognized because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

Contingent liabilities are not recognized but are disclosed in the notes to the accounts. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognized as provision.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognized but are disclosed in the notes to the accounts when an inflow of economic benefits is probable. When an inflow is virtually certain, an asset is recognized.

2.4 Significant accounting estimates

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revisions affect both current and future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet, that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

Impairment of trade receivables and amounts due from related parties

An estimate of the collectible amount of trade accounts receivable and related parties is made when collection of the full amount is no longer probable. For individually significant amounts, this estimation is performed on an individual basis. Amounts which are not individually significant, but which are past due, are assessed collectively and an allowance applied according to the length of time past due, based on historical recovery rates. Any difference between the amounts actually collected in future periods and the amounts expected to be collected will be recognized in the income statement.

Impairment of property and equipment

A decline in the value of property and equipment could have a significant effect on the amounts recognized in the financial statements. Management assesses the impairment of property and equipment whenever events or changes in circumstances indicate that the carrying value may not be recoverable.

Factors that are considered important which could trigger an impairment review include the following:

- significant changes in the technology and regulatory environments
- evidence from internal reporting which indicates that the economic performance of the asset is, or will be, worse than expected.

Useful life of property and equipment

The Company's management determines the estimated useful lives of its property and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual value and useful lives annually and future depreciation charge would be adjusted where the management believes the useful lives differ from previous estimates.

3. PROPERTY, PLANT AND EQUIPMENT

Particulars	Building	Machineries	Furniture, fixtures and office equipments	Motor vehicles	Total
	AED	AED	AED	AED	AED
Cost:					
at 1 April 2014	14,730,069	29,084,223	150,675	676,500	44,641,467
additions during the year	-	3,416,244	10,060	299,450	3,725,754
disposal during the year	-	-	-	(91,000)	(91,000)
at 31 March 2015	14,730,069	32,500,467	160,735	884,950	48,276,221
Depreciation:					
at 1 April 2014	2,255,764	8,801,611	89,898	274,066	11,421,339
charge for the year	736,503	3,080,103	31,625	173,967	4,022,198
charge on disposals	-	-	-	(77,865)	(77,865)
at 31 March 2015	2,992,267	11,881,714	121,523	370,168	15,365,672
Net book values:					
at 31 March 2015	11,737,802	20,618,753	39,212	514,782	32,910,549
at 31 March 2014	12,474,305	20,282,612	60,777	402,434	33,220,128

Motor vehicles purchased under financing arrangements are subject to a charge.

4 INVENTORIES

Raw materials
Finished goods
Packing materials
Consumables

2015 AED	2014 AED
21,293,330	17,522,588
268,118	250,700
287,183	235,165
25,426	18,088
21,874,057	18,026,541

Inventories represent goods lying in the warehouse premises at Fujairah Free Zone which are valued and certified by the technical personnel of the Company.

5 TRADE RECEIVABLES

Trade receivables

12,156,257	10,852,481
12,156,257	10,852,481

(i) In the opinion of the management, the receivables are considered good and fully recoverable.

(ii) The aging analysis of the accounts receivable are as follows:

Due for less than 6 months

Due for more than 6 months

12,156,257	10,852,481
-	-
12,156,257	10,852,481

6 RELATED PARTY BALANCES

The Company has in the ordinary course of business, entered into trading, financial and service transactions with concerns, in which the shareholders / directors / manager of the Company or their relatives have an investing / controlling interest.

The prices and terms of these transactions were approved by the management and considered comparable to those charged by third parties. The amounts outstanding to related parties are unsecured, which do not attract interest and are payable on demand. No expense has been recognized in the period for bad or doubtful debts in respect of the amounts owed by related parties.

At the end of the reporting period, due from / to related parties were as follows:-

Amounts due from related parties

Golden Harvest Middle East FZC

2015 AED	2014 AED
145,080	-
145,080	-

Amarak Chemicals FZC

Amounts due to related parties

	2015 AED	2014 AED
Golden Harvest Middle East FZC (net)	17,421,426	20,027,881
Aries Agro Ltd, Mumbai, India	2,643,832	595,479
	<u>20,065,258</u>	<u>20,623,360</u>

The volumes of related party transactions during the year were as follows:-

Sales	551,769	448,694
Purchases	731,385	238,801
Directors remuneration	<u>491,000</u>	<u>485,000</u>

7 DEPOSITS, ADVANCES AND PREPAYMENTS

Prepayments	715,845	707,869
Deposits	232,533	110,133
Advance to suppliers	7,566,012	9,537,323
Other receivables	<u>4,100</u>	<u>-</u>
	<u>8,518,490</u>	<u>10,355,325</u>

8 CASH AND BANK BALANCES

Cash in hand	4,464	8,640
Current account with banks	<u>32,869</u>	<u>90,988</u>
	<u>37,333</u>	<u>99,628</u>

9 SHARE CAPITAL

Authorised, issued and paid-up capital (20,000 shares of AED 150 each)	3,000,000	3,000,000
	<u>3,000,000</u>	<u>3,000,000</u>

10 SHAREHOLDERS' CURRENT ACCOUNTS

Shareholders' current account balances do not attract interest and there are no defined repayment arrangements.

11 LEGAL RESERVE

This represents reserve created out of profit of the Company in accordance with the provisions of Memorandum and Articles of Association of the Company.

12 SHARE APPLICATION MONEY

Share application money represents amount received from Golden Harvest Middle East FZC, Sharjah Airport International Free Zone, United Arab Emirates, a shareholder of the Company towards advance for allotment of shares of the Company.

13 PROVISION FOR EMPLOYEES' TERMINAL BENEFITS

The provision for end of service benefits for employees is made in accordance with the requirements of the U.A.E. Labour Laws. This is an unfunded defined benefits retirement plan. Employees are entitled to benefits based on length of service and final remuneration. Accrued employees' terminal benefits are payable on termination of employment. The cost of providing these benefits is charged as an expense on an annual basis and the charge for the year ended 31 March 2015 amounted to AED 46,732 (2014 AED - 83,063).

14 TERM LOANS

Motor vehicle loan	415,401	430,447
	<u>415,401</u>	<u>430,447</u>
Installments falling due within 12 months of the balance sheet date - classified as current liabilities.		
Current portion	<u>240,993</u>	<u>247,960</u>
Non current - portion	<u>174,408</u>	<u>182,487</u>

Long term loans represent installments on motor vehicle loans not payable within 12 months of the balance sheet date. Motor vehicle loans taken from finance companies for purchase of motor vehicles are secured by a charge on the motor vehicles purchased under such financing arrangements.

	2015 AED	2014 AED
15 TRADE PAYABLES AND ACCRUALS		
Trade payables	3,287,322	6,066,914
Accrued expenses	502,931	656,859
Other payables	6,247,500	3,307,500
Advance received from customers	250,171	-
	<u>10,287,924</u>	<u>10,031,273</u>
	2015 AED	2014 AED
16 COST OF SALES		
Opening inventories	18,026,541	16,974,811
Purchases	16,775,394	16,086,264
Direct expenses	3,211,064	3,101,000
Less: Closing inventories	(21,874,057)	(18,026,541)
	<u>16,138,942</u>	<u>18,135,534</u>
17 ADMINISTRATION AND GENERAL EXPENSES		
Salaries and benefits	1,272,722	1,261,962
Clearing and forwarding charges- Export	1,547,716	1,364,627
Rent expenses	1,032,792	1,289,019
Legal and professional charges	410,288	465,045
Communication expenses	144,094	142,947
Office expenses	141,857	132,590
Insurance charges	121,265	130,674
Vehicle running expenses	85,318	88,212
Repairs and maintenance	50,127	98,158
Commission expenses	40,374	4,961
Advertisement and business promotion expenses	28,774	-
Water and electricity charges	19,527	12,705
Travelling expenses	6,991	6,752
Printing and stationery	6,595	8,484
Miscellaneous expenses	-	5,002
	<u>4,908,440</u>	<u>5,011,138</u>
18 FINANCE CHARGES		
Bank charges	72,458	63,988
Interest charges	866,097	978,245
	<u>938,555</u>	<u>1,042,233</u>

19. FINANCIAL RISK AND CAPITAL MANAGEMENT

19.1 Financial risk factors

Financial assets of the Company include cash, bank balances, trade receivables, deposits, and advances, amounts due from related party. Financial liabilities include amounts due to related party, vehicle loans, trade payables and accruals.

The management believes that the fair values of the financial assets and liabilities approximate to their carrying amounts.

The Company's financial risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects of the financial performance. Under the Company's risk management programme, management identifies and documents key risks and sets out policies and procedures required to mitigate these risks. The identified key risks are:

a) Currency risk

The majority of the Company's financial assets and financial liabilities are either denominated in local currency (AED) or currencies fixed to the AED. Hence the management believes that there would not be a material impact on the profitability if these foreign currencies weakens or strengthens against the AED with all over variables held constant.

b) Credit risk

The Company is potentially exposed to concentration of credit risk from its financial assets which comprise principally bank balances and trade receivables. The Company's bank accounts are placed with high credit quality financial institutions. The credit risk on trade receivables is subjected to credit evaluations and an allowance has been made for estimated irrecoverable amounts. The amounts presented in the balance sheet are net of allowances for doubtful receivables.

The Company is not exposed to any significant concentration of credit risk because its exposure is spread over financial institutions and a large number of customers.

c) Liquidity risk

The Company manages its liquidity risk by ensuring it has sufficient liquid cash balances to meet its payment obligations as they fall due.

19.2 Capital management

The Company's objectives when managing capital are to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders by pricing products and services commensurately with the level of risk.

The Company sets the amount of capital funds in accordance with the planned level of operations and in proportion to the levels of risk. The Company manages the shareholders' funds and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the shareholders' funds, the Company may adjust the amount of dividends paid to shareholders, return funds to shareholders, issue new shares, or sell assets to reduce its exposure to debt.

20. CAPITAL COMMITMENTS

Operating lease commitments

Commitments as a lessee under operating leases on land leased from Fujairah Free Zone Authority for a initial period of 10 years.

	2015 AED	2014 AED
(i) Not later than one year from balance sheet date	1,92,000	1,92,000
(ii) 1-5 years post balance sheet date	2,72,000	4,64,000
	<u>4,64,000</u>	<u>6,56,000</u>

Except for the above and ongoing business obligations which are under normal course of business against which no loss is expected, there has been no other known capital commitment on Company's financial statements as of reporting date.

21. CONTINGENT LIABILITIES

Except for the ongoing business obligations which are under normal course of business against which no loss is expected, there has been no other known contingent liability on Company's financial statements as of reporting date.

22. COMPARATIVE FIGURES

Previous year's figures have been regrouped or reclassified wherever necessary to make them comparable to those of the current year. However such reclassification do not have impact on the previously reported profit or equity.

23. LEVEL OF PRECISION

All figures are rounded off to nearest Dirhams (AED).

24. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved by the shareholders and authorized for issue on 20 May 2015.

NOTICE OF 9th ANNUAL GENERAL MEETING

Notice is hereby given that the Ninth Annual General Meeting of the Members of **ARIES AGRO CARE PRIVATE LIMITED** will be held on Monday, 28th September, 2015 at 10.30 AM at the Registered office of the Company at Aries House, Plot No. 24, Deonar, Govandi (East), Mumbai -400 043 to transact the following business:-

1. To receive, consider, approve and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2015, together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint Director in place of Dr. Rahul Mirchandani who retires by rotation and being eligible offers himself for re-appointment.
3. Appointment of Auditors

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

"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, the Company hereby ratifies the appointment of M/s. Kirti D. Shah & Associates, Chartered Accountants, Mumbai, (Membership No. 32371), as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the Tenth Annual General Meeting (AGM) of the Company to be held in the year 2016, at such Remuneration plus Service Tax, Out-of-Pocket, Travelling Expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors."

**By Order of the Board
For Aries Agro Care Private Limited**

**Dr. Jimmy Mirchandani
Director
DIN: 00239021**

**Place: Mumbai
Date: 27th May, 2015**

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. THE PROXY IN ORDER TO BE EFFECTIVE SHOULD BE LODGED WITH THE COMPANY AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

DIRECTOR'S REPORT

To,

The Members of

Aries Agro Care Private Limited.

Your Directors are pleased to present their Ninth Annual Report together with Audited Financial Statements of the Company for the Financial Year ended 31st March, 2015.

1. FINANCIAL RESULTS :

During year under review the Company did not do any business. However there was Other Income amounting to Rs. 2,272/- as against the Other Income amounting to Rs. 2,07,559/- in the previous year. Consequently the Company has incurred a loss of Rs. 23,120/- as compared to the Loss of Rs. 45,363/- in the Previous Year.

2. CURRENT STATUS

In view of the extremely volatile nature of the seeds business, your Directors have temporarily suspended the Seed business.

3. DIVIDEND :

Since the Company has incurred losses your Directors do not recommend any Dividend.

4. DEPOSITS :

The Company has not accepted any Fixed Deposits from the Public.

5. PARTICULARS OF EMPLOYEES & RELATED DISCLOSURES

The Company does not have any Managing Directors or Executive/Whole Time Directors or any Employees who were in receipt of remuneration in excess of the provisions under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014,

6. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT UNDER SECTION 186

The Company has not given any Loans or given Guarantees or made Investments in terms of provisions of Section 186 of the Companies Act, 2013

7. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

As there was no business activity in the Company during the Financial Year 2014-15, there were no Contracts or Arrangements with Related Parties.

8. RISK MANAGEMENT POLICY AND ITS IMPLEMENTATION

Since there is no business activity in the Company and there is no risk which may affect the Company and as the Company is an Un-listed Company no Risk Management Policy has been framed.

9. CORPORATE SOCIAL RESPONSIBILITY

The Company is not covered within provisions of Section 135 of the Companies Act, 2013 and rules framed thereunder.

10. MATERIAL ORDERS PASSED

No material Orders have been passed by any Authorities in respect of any matters with regards to the business of the Company.

11. INTERNAL FINANCIAL CONTROL

The Company has in place adequate Internal Financial Controls commensurate with the size of the Company with reference to Financial Statements.

12. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO :

Since the Company does not have any business activity and there were no Foreign Exchange earning, expenditure or outflow, the Particulars in respect of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo, as required to be disclosed by the Companies(Accounts) Rules, 2014, are not applicable.

13. DIRECTORS & KEY MANAGERIAL PERSONNEL:

In accordance with the Companies Act, 2013 and the Articles of Association of the Company, Dr. Rahul Mirchandani retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. Accordingly his re-appointment forms part of the notice of ensuing AGM.

The Company does not have any Managing Directors or Executive/Whole Time Directors or any Employees hence question of any Key Managerial Personnel does not arise.

14. MEETINGS OF BOARD

Four Meetings of the Board of Directors were held during the year.

15. AUDITORS :

M/s. Kirti D. Shah & Associates, Chartered Accountants, Mumbai,(Membership No. 32371), were appointed as the Statutory Auditors of the Company for a period of 5(five) years at the 8th Annual General Meeting of the Company held on 22nd September, 2014.

As per the provision of Section 139(1) of the Companies Act, 2013, their appointment for the above tenure is subject to ratification by Members at every AGM. Accordingly, ratification of the Members is being sought for proposal contained in the Resolution set out at item No. 3 of the Notice.

16. DIRECTORS' REPLY TO OBSERVATIONS / REMARKS MADE IN AUDITORS' REPORT (Para (viii) of the Annexure to the Auditors' Report)

The Auditors have in their Audit Report commented that the Company has made cash losses during the year and the accumulated losses are in excess of 50% of the Paid Up Capital and Free Reserves.

To this the Directors wish to inform that due to extremely volatile nature of the seeds business, the Company temporarily suspended the Seeds business during the year 2012-13 which continued during the current year. The Cash losses and the Accumulated losses are due to the same reason.

17. DIRECTORS' RESPONSIBILITY STATEMENTS

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

1. in preparation of the Annual Accounts, applicable Accounting Standards have been followed and that there are no material departures
2. they have selected such Accounting Policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the State of the Affairs of the Company at the end of the financial year and of the Loss of the Company for that year;
3. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. they have prepared the Annual Accounts on a 'going concern' basis.
5. they have laid down Internal Financial Controls to be followed by the Company and such Internal Financial Controls are adequate and operating effectively;
6. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

18. EXTRACTS OF ANNUAL RETURN

As provided under Section 92(3) of the Companies Act, 2013 the Extract of the Annual Return is given in **Annexure-I** in prescribed Format MGT-9, which forms part of this Report.

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

No material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this Report.

20. ACKNOWLEDGEMENT:

Your Directors would like to express their grateful appreciation for the co-operation and assistance received from the HDFC Bank Ltd and other related agencies.

By Order of the Board
For **Aries Agro Care Private Limited**

Dr. Jimmy Mirchandani
Director
DIN: 00239021

Dr. Rahul Mirchandani
Director
DIN: 00239057

Place : Mumbai
Date : 27th May, 2015

FORM NO. MGT – 9
EXTRACT OF ANNUAL RETURN
As on the financial year ended 31.03.2015

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

I. REGISTRATION AND OTHER DETAILS

CIN	U01122MH2007PTC166761
Registration Date	5 th January, 2007
Name of the Company	ARIES AGRO CARE PRIVATE LIMITED
Category / Sub-Category of the Company	COMPANY LIMITED BY SHARES /INDIAN NON-GOVERNMENT COMPANY
Address of the Registered Office and contact details	Aries House, Plot No. 24, Deonar, Govandi(E), Mumbai-400 043 Phone No. 022 2556 4052/53 Fax No. 022 2556 4054/2557 1711
Whether listed Company	NO
Name, address and contact details of Registrar and Transfer Agent, if any	Not Applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No	Name and Description of main products / Services	NIC Code of the Product/ Service	% to total turnover of the Company
1	Seeds	1209	0.00

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name of the Company	Address of the Company	CIN/GLN	Holding/ Subsidiary/Associate	%tage of Shares held	Applicable Section
1.	Aries Agro Limited	Aries House, Plot No. 24, Deonar, Govandi(E), Mumbai-400 043	L99999MH1969PLC014465	Holding	100	2(46)
2.	Aries Agro Equipments Private Limited	Aries House, Plot No. 24, Deonar, Govandi(E), Mumbai-400 043	U01403MH2007PTC166972	Associate	NIL	2(6)
3.	Aries Agro Produce Private Limited	Aries House, Plot No. 24, Deonar, Govandi(E), Mumbai-400 043	U01403MH2008PTC183789	Associate	NIL	2(6)
4.	Aries East West Nutrients Private Limited	Aries House, Plot No. 24, Deonar, Govandi(E), Mumbai-400 043	U01229MH1983PTC030401	Associate	NIL	2(6)
5.	Aries Marketing Limited	Aries House, Plot No. 24, Deonar, Govandi(E), Mumbai-400 043	U51900MH1978PTC020254	Associate	NIL	2(6)
6.	Blossoms International Limited	Aries House, Plot No. 24, Deonar, Govandi(E), Mumbai-400 043	U01100MH1995PLC093586	Associate	NIL	2(6)
7.	Sreeni Agro Chemicals Limited	Aries House, Plot No. 24, Deonar, Govandi(E), Mumbai-400 043	U24210MH1985PLC035563	Associate	NIL	2(6)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**(i) Category wise shareholding**

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2014				No. of Shares held at the end of the year 31.03.2015				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS									
(1) Indian									
a) Individual/HUF	0	0	0	0	0	0	0	0	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt (s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	10000	10000	100	0	10000	10000	100	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other....	0	0	0	0	0	0	0	0	0
Sub-total (A) (1):-	0	10000	10000	100	0	10000	10000	100	0

Aries Agro Care Private Limited

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2014				No. of Shares held at the end of the year 31.03.2015				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Foreign	-	-	-	-	-	-	-	-	-
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other – Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other....	0	0	0	0	0	0	0	0	0
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A) (1)+(A)(2)	0	10000	10000	100	0	10000	10000	100	0
B. PUBLIC SHAREHOLDING									-
1. Institutions									-
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual Shareholders holding nominal share capital upto ₹ 1 lakh	0	0	0	0	0	0	0	0	0
ii) Individual Shareholders holding nominal share capital in excess of ₹1 lakh	0	0	0	0	0	0	0	0	0
c) Others Directors and Relatives	0	0	0	0	0	0	0	0	0
i) Shares held by Pakistani citizens vested with the Custodian of Enemy Property	0	0	0	0	0	0	0	0	0
ii) Other Foreign Nationals	0	0	0	0	0	0	0	0	0
iii) Foreign Bodies	0	0	0	0	0	0	0	0	0
iv) NRI / OCBs	0	0	0	0	0	0	0	0	0
v) Clearing Members / Clearing House	0	0	0	0	0	0	0	0	0
vi) Trusts	0	0	0	0	0	0	0	0	0
vii) Limited Liability Partnership	0	0	0	0	0	0	0	0	0
viii) Foreign Portfolio Investor (Corporate)	0	0	0	0	0	0	0	0	0
ix) Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
Sub-Total (B)(2):-	0	0	0	0	0	0	0	0	0
Total Public Shareholding (B)=(B)(1)+(B)(2)	0	0	0	0	0	0	0	0	0
C. SHARES HELD BY CUSTODIAN FOR GDRS & ADRS	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	0	10000	10000	100.00	0	10000	10000	100.00	-

(ii) **Shareholding of Promoters**

Shareholder's Name	No. of Shares held at the beginning of the year 01.04.2014			No. of Shares held at the end of the year 31.03.2015			% Change during the year
	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
Aries Agro Limited	10000	100	0	10000	100	0	0
Total	10000	100	0	10000	100	0	0

Aries Agro Care Private Limited

(iii) **Change in Promoters' Shareholding**

There is no change in Promoter's Shareholding between 01.04.2014 to 31.03.2015.

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

Sr. No	Shareholder's Name	Shareholding at the beginning of the year 01.04.2014		Shareholding at the end of the year 31.03.2015	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Aries Agro Limited	10000	100	10000	100
	Total				

(v) **Shareholding of Directors and Key Managerial Personnel:**

Sr. No	Shareholder's Name	Shareholding at the beginning of the year 01.04.2014		Cumulative Shareholding during the year		Date of change in shareholding	Reason for change
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company		
1	Directors						

V. INDEBTEDNESS

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

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial Year				
1. Principal Amount	NIL	58,05,535	NIL	58,05,535
2. Interest Due but not Paid	NIL	NIL	NIL	NIL
3. Interest accrued but not due	NIL	NIL	NIL	NIL
Total(1+2+3)	NIL	58,05,535	NIL	58,05,535
Change in Indebtedness during the Financial Year				
1. Addition	NIL	8,114	NIL	8,114
2. Reduction	NIL	NIL	NIL	NIL
Net Change	NIL	8,114	NIL	8,114
Indebtedness at the end of the Financial Year				
1. Principal Amount	NIL	58,13,649	NIL	58,13,649
2. Interest Due but not Paid	NIL	NIL	NIL	NIL
3. Interest accrued but not due	NIL	NIL	NIL	NIL
Total(1+2+3)	NIL	58,13,649	NIL	58,13,649

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

The Company does not have any Managing Director/ Executive Director/Whole Time Director hence no Remuneration has been paid.

B. Remuneration to other Directors:

No Remuneration has been paid to Non-Executive Directors.

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

The Company does not have any Key Managerial Personnel other than Managing Director/ Executive Director/Whole Time Director hence no Remuneration has been paid

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

There were no penalties, punishment or compounding of offences during the year ended 31st March, 2015

For and on behalf of the Board,

Place: Mumbai
Date: 27th May, 2015

Dr. Jimmy Mirchandani
Director
DIN: 00239021

Dr. Rahul Mirchandani
Director
DIN: 00239057

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

ARIES AGRO CARE PRIVATE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **ARIES AGRO CARE PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the 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 and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2015;
- (b) in the case of the Statement of Profit and Loss, of the loss of the Company for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government in terms of Sub section (11) of Section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 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 purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books [and proper returns adequate for the purposes of our audit have been received from the branches not visited by us].
 - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164(2) of the Act and
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements as referred to in the notes to accounts of these financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Kirti D. Shah & Associates
Chartered Accountants
Firm Registration No. 115133W

Kirti D. Shah
Proprietor
Membership No.32371

Place : Mumbai
Date : 27th May, 2015

ANNEXURE TO INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31st March 2015, we report that:

- i. a. The Company does not have any Fixed Assets hence Clause (i) of the said order is not applicable to the company.
- b. The Company does not have any fixed assets hence the question of physical verification & material discrepancies of the same does not arise.
- ii. a. There are no inventories during the year hence the question of physical verification by the management at reasonable intervals does not arise.
- b. The Company does not have any inventories so the maintenance of records of inventory does not arise.
- iii. According to the information and explanation given to us, the Company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, paragraphs 3(iii) (a) and (b) of the order are not applicable.
- iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. In our opinion, there is no continuing failure to correct major weaknesses in internal control.
- v. According to the information and explanations provided by the company, The Company has not accepted deposits from the public. Hence, the question of compliance with the directives issued by Reserve Bank of India and provision of sections 73, 74, 75 and 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 does not arise. No order has been passed by the National Company Law Tribunal or Company Law Board or RBI in this regard.
- vi. The nature of the business activities is such that Clause 3 (vi) of the Companies (Auditors Report 2015) regarding maintenance of Cost Records is not applicable to the Company.
- vii. a. According to the information and explanations given to us and the records of the company examined by us, in our opinion, the company is generally regular in depositing statutory dues including Provident Fund, Employee State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and any other material statutory dues except occasional/ minor delays. As per the information given by the management and apparent from the records the undisputed liabilities as on 31st March 2015 is for a period exceeding six months from the date of it becoming payable is NIL.
- b. There is no disputed liability in respect of tax dues on account of Income Tax, Sales tax, Service Tax, Custom Duty, Cess etc.

- c. According to the information and explanations given to us the amounts which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there under has been transferred to such fund within time.
- viii. ***The company was incorporated in the year 2007 and has incurred cash losses of Rs. 0.23 lac during the year and has incurred cash loss of Rs. 0.90 lac during the F.Y. 2013-14. The accumulated loss as on 31st March, 2015 was Rs. 26.97lacs. Accumulated losses are in excess of 50% of its paid up capital and free reserves.***
- ix. The company has not defaulted in repayment of dues to a financial institution or banks. The Company has not obtained any borrowings by way of issue of debentures.
- x. In our opinion and according to the information and the explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- xi. The company has not taken any term loans during the year under audit.
- xii. During the course of our examination of books and records of the company, carried out in accordance with generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the company, noticed or reported during the year, nor we have been informed of any such case by the management.

For Kirti D. Shah & Associates
Chartered Accountants
Firm Registration No. 115133W

Kirti D. Shah
Proprietor
Membership No.32371

Place : Mumbai
Date : 27th May, 2015

Balance Sheet as at 31st March, 2015

Particulars	Note No.	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	3	100,000	100,000
(b) Reserves and Surplus	4	(2,697,092)	(2,673,971)
		<u>(2,597,092)</u>	<u>(2,573,971)</u>
(2) Current Liabilities			
(a) Short Term Borrowings	5	5,813,649	5,805,535
(b) Trade Payables	6	171,522	159,400
(c) Other Current Liabilities	7	-	2,500
		<u>5,985,171</u>	<u>5,967,435</u>
TOTAL		<u><u>3,388,079</u></u>	<u><u>3,393,464</u></u>
II. ASSETS			
(1) Current Assets			
(a) Cash & Cash Equivalents	8	58,094	39,605
(b) Short Term Loans and Advances	9	3,329,985	3,353,859
		<u>3,388,079</u>	<u>3,393,464</u>
TOTAL		<u><u>3,388,079</u></u>	<u><u>3,393,464</u></u>
Significant Accounting Policies & The Notes to Accounts 1 to 21 form part of these Financial Statements			

As per our report of even date

For Kirti D. Shah & Associates

Chartered Accountants

Firm Registration No. 115133W

Kirti D. Shah

Proprietor

Membership No 32371

Place : Mumbai.

Date : 27th May, 2015.

For and on behalf of the Board

Dr. Jimmy Mirchandani

Director

DIN 00239021

Dr. Rahul Mirchandani

Director

DIN 00239057

Statement of Profit and Loss for the year ended 31st March, 2015

Particulars	Note No.	Year Ended 31 March 2015 Rupees	Year Ended 31 March 2014 Rupees
I Other Income	10	2,272	207,559
II Total Revenue (I)		2,272	207,559
III Expenses :			
(a) Other Expenses	11	25,392	252,922
Total Expenses		25,392	252,922
IV Profit Before Tax (II - III)		(23,120)	(45,363)
V Profit after Tax (PAT)		(23,120)	(45,363)
Add/(Less):- MAT Credit w/off		-	45,000
VI Profit / (Loss) for the period		(23,120)	(90,363)
VII Earnings per Equity Share			
(1) Basic & Diluted	12	(2.31)	(9.04)
<i>Significant Accounting Policies & The Notes to Accounts 1 to 21 form part of these Financial Statements</i>			

As per our report of even date

For Kirti D. Shah & Associates
Chartered Accountants
Firm Registration No. 115133W

Kirti D. Shah
Proprietor
Membership No 32371

Place : Mumbai.
Date : 27th May, 2015.

For and on behalf of the Board

Dr. Jimmy Mirchandani
Director
DIN 00239021

Dr. Rahul Mirchandani
Director
DIN 00239057

Statement of Cash Flows for the year ended 31st March, 2015

		(Amount in Rupees)	
Sr. No.	Particulars	2014-15	2013-14
A)	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit before tax as per Profit and Loss Account	(23,120)	(45,363)
	Adjusted for :		
	Interest Income	(2,272)	(1,926)
		(2,272)	(1,926)
	Operating Profit before Working Capital Changes	(25,392)	(47,289)
	Adjusted for :		
	Trade Payable	12,122	34,822
	Other Payable	(2,500)	(20,243)
		9,622	14,579
	Cash Generated from Operations,	(15,770)	(32,710)
	MAT Credit w/off	-	(45,000)
	Net Cash from Operating Activities	(15,770)	(77,710)
B)	CASH FLOW FROM INVESTING ACTIVITIES :		
	Movement in Short Term Loans and Advances	23,874	45,000
	Interest Income	2,272	1,926
	Net Cash (used in) Investing Activities	26,146	46,926
C)	CASH FLOW FROM FINANCIAL ACTIVITIES:		
	Short Term Borrowings (Net)	8,114	18,100
	Net Cash (used in) / from financing activities	8,114	18,100
	Net Increase in Cash and Cash Equivalents	18,489	(12,684)
	Opening Balance of Cash and Cash Equivalents	39,605	52,288
	Closing Balance of Cash and Cash Equivalents	58,094	39,605

As per our report of even date

For Kirti D. Shah & Associates

Chartered Accountants
Firm Registration No. 115133W

Kirti D. Shah

Proprietor
Membership No 32371

Place : Mumbai.

Date : 27th May, 2015.

For and on behalf of the Board

Dr. Jimmy Mirchandani

Director
DIN 00239021

Dr. Rahul Mirchandani

Director
DIN 00239057

Notes to the Financial Statements for the year ended 31st March, 2015

1. Corporate Information

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

2. Basis of preparation

The financial statements have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the Accounting Standards, notified by the Companies Accounting Standards Rules, 2014 (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention except in case of assets for which provision for impairment is made and revaluation is carried out.

Summary of significant accounting policies

A. (i) Basis of preparations of Financial Statements

The Financial statements are prepared under the historical cost convention, except for certain fixed assets which are revalued, in accordance with the generally accepted accounting principles in India and the provisions of the Companies Act, 2013.

(ii) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

B. Tangible fixed assets

Fixed assets are stated at cost, except for revalued freehold land and buildings, which are shown at estimated replacement cost as determined by valuers less impairment loss, if any, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and other directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Leasehold land on a lease-cum-sale basis are capitalized at the allotment rates charged by the Municipal Authorities.

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

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

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

C. Depreciation on tangible fixed assets

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management, or those prescribed under the Schedule II to the Companies Act, 2013, whichever is higher.

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

The depreciation charge over and above the depreciation calculated on the original cost of the revalued assets is transferred from the revaluation reserve to the statement of profit and loss.

D. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Computer Software which is not an integral part of the related hardware is classified as an intangible asset.

Intangible assets are amortized on a straight line basis over the estimated useful economic life.

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

E. Borrowing Costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

F. Impairment of tangible and intangible assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

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

Notes to the Financial Statements for the year ended 31st March, 2015

except for previously revalued tangible fixed assets, where the revaluation was taken to revaluation reserve. In this case, the impairment is also recognized in the revaluation reserve up to the amount of any previous revaluation.

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

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

G. Inventories

Inventories are valued as follows:

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

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

Traded goods : Lower of cost and net realizable value. Cost includes the purchase price and other associated costs directly incurred in bringing the inventory to its present location.

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

Waste and scrap are not separately valued being insignificant in value

H. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized.

(i) Sale of products:

Revenue from sale of products is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer. The Company collects sales tax and value added tax (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year.

(ii) Interest Income:

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

interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

I. Investments

Investments that are readily realizable and intended to be held for not more than twelve months from the date on which such investments are made are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss

J. Retirement benefits

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

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. The gratuity benefit of the Company is administered by a trust formed for this purpose through the group gratuity scheme. Actuarial gains and losses for defined benefit plan are recognized in full in the period in which they occur in the statement of profit and loss.

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

The Company treats accumulated leave expected to be carried forward beyond 12 months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

K. Foreign currency translation

The transactions in foreign currency are accounted at the exchange rate i.e. custom rate prevailing on the date of transaction. Exchange fluctuation between the transaction date and settlement date in respect of transactions are transferred to exchange rate difference account and written off to profit & loss account.

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

Notes to the Financial Statements for the year ended 31st March, 2015

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

L. Income tax

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized inequity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

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

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

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

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

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on "Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961", the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

M. Earnings Per Share (EPS)

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

N. Segment reporting

Identification of segments

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and services to different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operates.

O. Provisions

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

Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

P. Contingent liability

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

Q. Cash and cash equivalents

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

All the accounting policies as mentioned above will be applied at the relevant time.

Notes to the Financial Statements for the year ended 31st March, 2015

3 SHARE CAPITAL

		As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
Authorised Share Capital			
10,000 Equity Shares of Rs. 10/- each		100,000	100,000
	Total	100,000	100,000
Issued, Subscribed and Paidup			
10,000 Equity Shares of Rs.10/- each.		100,000	100,000
	Total	100,000	100,000

3.1 Reconciliation of Number of Shares Outstanding

Particulars	As at 31st March, 2015 No. of Shares	As at 31st March, 2014 No. of Shares
Equity Shares at the beginning of the year	10,000	10,000
Add : - Issued during the year	-	-
Less :- Shares cancelled during the year	-	-
Equity Shares at the end of the year	10,000	10,000

3.2 List of Shareholder's holding more than 5 percent of Shares

Name of the Shareholder	No. of Shares	As at 31st March, 2015 % Held	No. of Shares	As at 31st March, 2014 % Held
(i) Aries Agro Limited	10,000	100.00%	10,000	100.00%

4 RESERVES AND SURPLUS

		As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
Profit & Loss Account			
As per last Balance Sheet		(2,673,971)	(2,583,608)
Add:- Profit / (Loss) for the year		(23,120)	(90,363)
	Total	(2,697,092)	(2,673,971)

5 SHORT TERM BORROWINGS

		As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
Un-Secured Term Loans			
Loan from Directors		1,214	600
Loan from Holding Company		5,812,435	5,804,935
	Total	5,813,649	5,805,535

Notes to the Financial Statements for the year ended 31st March, 2015

6 TRADE PAYABLES

	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
Creditors for Expenses	171,522	159,400
Total	171,522	159,400

- 6.1 There are no Micro and Small Enterprises to whom Company owes dues, which are outstanding for more than 45 days as at 31st March, 2015. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

7 OTHER CURRENT LIABILITIES

	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
Statutory Dues	-	2,500
Total	-	2,500

8 CASH AND CASH EQUIVALENTS

	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
Balance with Scheduled Banks in Current Accounts	35,311	17,968
Balance with Scheduled Banks in Fixed Deposit Accounts	22,783	21,637
Total	58,094	39,605

9 SHORT TERM LOANS AND ADVANCES

	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
Deposits	7,000	32,000
Others	3,322,985	3,321,859
Total	3,329,985	3,353,859

- 9.1 Advance to Suppliers includes advances paid to the supplier of seeds M/s Pradham Biotech Private Limited, Hyderabad against whom the Company has filed a winding up petition to recover its dues. The Company is hopeful of positive outcome and hence no provision has been made in the accounts towards this advance.

10 OTHER INCOME

	Year Ended 31 March 2015 Rupees	Year Ended 31 March 2014 Rupees
Interest Income on :		
Bank Fixed Deposits	2,272	1,926
Other Non-Operating Income		
Sundry balance w/off	-	205,633
Total	2,272	207,559

Notes to the Financial Statements for the year ended 31st March, 2015

11 OTHER EXPENSES

	Year Ended 31 March 2015 Rupees	Year Ended 31 March 2014 Rupees
Other Administration Expenses		
Audit Fees	16,854	16,854
Legal & Professional Fees	7,618	225,468
Rent, Rates & Taxes	900	10,600
Bank Charges	20	-
Total	25,392	252,922

11.1 Payment to Auditors as :

Particulars	As at 31 March, 2015 Rupees	As at 31 March, 2014 Rupees
Statutory Audit Fees	16,854	16,854
Taxation Matters	5,618	5,618
Total	22,472	22,472

12 EARNINGS PER SHARE (EPS)

	Year Ended 31 March 2015 Rupees	Year Ended 31 March 2014 Rupees
i) Net Profit After Tax (PAT) as per Statement of Profit and Loss attributable to Equity Shareholders (Rs.in Lacs)	(23,120)	(90,363)
ii) Weighted Average number of Equity Shares used as denominator for calculating EPS	10,000	10,000
iii) Basic & Diluted Earnings per Share (Rs.)	(2.31)	(9.04)
iv) Face Value per Equity Share (Rs.)	10	10

- 13 Though the Company has discontinued its operations and has incurred losses during the year and its losses are in excess of the paid up capital and free reserves. The company in view of the commitment of the holding company, the principle of going concern is not violated.

Notes to the Financial Statements for the year ended 31st March, 2015
14 RELATED PARTY DISCLOSURES

Related Party Disclosures as per Accounting Standard - 18 issued by the Institute of Chartered Accountants of India

Part - A					
Details of Related Parties as per AS - 18					
Sr. No.	Nature of Relationship	Name of the Related Party		Remarks	
1	Holding Company	a)	Aries Agro Limited	a)	Date of becoming Subsidiary of Aries Agro Limited is 5th January, 2007 (Incorporation Date)
2	Key Management Personnel	a)	Dr. Jimmy Mirchandani	a)	Director
		b)	Dr. Rahul Mirchandani	b)	Director
3	Relatives of Key Management Personnel	Name of the Key Management Personnel		Name of the Relative	
		a)	Dr. Jimmy Mirchandani	a)	Late Mrs. Sarasa Mirchandani
				b)	Mr. Akshay Mirchandani
				c)	Mr. Amol Mirchandani
				d)	Dr. Rahul Mirchandani
		b)	Dr. Rahul Mirchandani	a)	Mrs. Nitya Mirchandani
				b)	Mastar Armaan Mirchandani
				c)	Dr. Jimmy Mirchandani
4	Fellow Subsidiaries	a)	Aries Agro Equipments Pvt Ltd	a)	A wholly owned Subsidiary of Aries Agro Limited
		b)	Aries Agro Produce Pvt Ltd	b)	A Subsidiary of Aries Agro Limited
		c)	Golden Harvest Middle East	c)	A Subsidiary of Aries Agro Limited
		d)	Amarak Chemicals	d)	A Step Down Subsidiary of Aries Agro Limited
5	Enterprises over which the Key Management Personnel have significant influence or control	a)	Aries East West Nutrients Pvt Ltd		
		b)	Aries Marketing Ltd		
		c)	Blossoms International Ltd		
		d)	Sreeni Agro Chemicals Ltd		

Part - B				
Details of Transactions with Related Parties				
Sr. No.	Category	Nature of Service	Year Ended 31 March 2015 Rupees	Year Ended 31 March 2014 Rupees
1	Holding Company	Finance - Loans / Payments Received	7,500	217,500
2	Key Management Personnel	Finance - Loans / Payments Given	-	200,000
		Finance - Loans / Payments Received	614	600

Part - C				
Balance Outstanding with Related Parties				
Nature of Outstanding	Category	Name of the Party	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
Unsecured Loans	Holding Company	Aries Agro Limited	5,812,435	5,804,935
	Key Management Personnel	Dr. Jimmy Mirchandani	1,214	600

Notes to the Financial Statements for the year ended 31st March, 2015**15. Current Assets, Loan & Advances and Provisions**

- a) The current assets and loans and advances are approximately of the value stated, if realized in the ordinary course of business.
- b) The provision for all known liabilities is not in excess of the amounts considered reasonably necessary.
- c) The balances of sundry creditors, sundry debtors and loans and advances are subject to confirmation.
- d) The loans and advances includes Rs. 33,14,085/- advanced to M/s Pradham Biotech Private Limited for supply of seeds. The said supplier failed to supply the goods in time. The Company has filed suit for winding up of the Company. The Company in view of such suit is hopeful of recovery of all dues. Hence no provision is made in the accounts in respect of such dues.

16. Contingent Liability

- a) Claims against company not acknowledged as debts Rs. 103.64 Lacs which pertains to pending suits regarding alleged dues. [The Company M/s Pradham Biotech Private Limited has filed counter claim in respect of cancellation of order for seeds. – See note no. 15(d)]

17. Foreign Exchange Earnings & Outflow:

During the year there were no Foreign Exchange earnings, expenditure or outflow.

18. Micro and Small Scale Business Entities

There are no micro and small Enterprises to whom company owes dues, which are outstanding for more than 45 days as at 31st March, 2015. This Information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

19. Segment Reporting

The Company has only one business segment "Agricultural Seeds" as its primary segment and hence disclosure of segment-wise information is not required under Accounting Standard 17 'Segmental Information' notified pursuant to the Companies (Accounting Standard) Rules, 2014 (as amended).

- 20. In absence of virtual certainty that sufficient future taxable income will be available for setoff of losses incurred by the company, the company has not taken credit for Deferred tax assets.
- 21. The Previous year's figures are re-arranged and re-grouped wherever is necessary.

As per our report of even date**For Kirti D. Shah & Associates**

Chartered Accountants
Firm Registration No. 115133W

Kirti D. Shah

Proprietor
Membership No 32371

Place : Mumbai.

Date : 27th May, 2015.

For and on behalf of the Board**Dr. Jimmy Mirchandani**

Director
DIN 00239021

Dr. Rahul Mirchandani

Director
DIN 00239057

NOTICE OF 9TH ANNUAL GENERAL MEETING

Notice is hereby given that the Ninth Annual General Meeting of the Members of **ARIES AGRO EQUIPMENTS PRIVATE LIMITED** will be held on Monday, 28th September, 2015 at 11.30 a.m. at the Registered office of the Company at Aries House, Plot No. 24, Deonar, Govandi (East), Mumbai-400 043 to transact the following business:-

1. To receive, consider, approve and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2015, together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint Director in place of Dr. Rahul Mirchandani who retires by rotation and being eligible offers himself for re-appointment.
3. Appointment of Auditors

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

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, the Company hereby ratifies the appointment of M/s. Kirti D. Shah & Associates, Chartered Accountants, Mumbai, (Membership No. 32371), as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the Tenth Annual General Meeting (AGM) of the Company to be held in the year 2016, at such Remuneration plus Service Tax, Out-of-Pocket, Travelling Expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

**By Order of the Board
For Aries Agro Equipments Private Limited**

**Place: Mumbai
Date: 27th May, 2015**

**Dr. Jimmy Mirchandani
Director
DIN: 00239021**

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. THE PROXY IN ORDER TO BE EFFECTIVE SHOULD BE LODGED WITH THE COMPANY AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

DIRECTOR'S REPORT

To,
The Members of
Aries Agro Equipments Private Limited.

Your Directors are pleased to present their Ninth Annual Report together with Audited Financial Statements of the Company for the Financial Year ended 31st March, 2015.

1. FINANCIAL RESULTS :

The Company did not have any Income during the year as against the expenses of Rs. 30,642/- . The Company incurred a loss of Rs. 30,642/- as compared to Loss of Rs. 10,11,908/- in the previous year.

2. CURRENT STATUS :

Your Directors have temporarily suspended the business of the Company due to inadequacy of Distribution Network specifically for Farm Equipments.

3. DIVIDEND :

Since the Company has incurred losses your Directors do not recommend any Dividend.

4. DEPOSITS :

The Company has not accepted any Fixed Deposits from the Public.

5. PARTICULARS OF EMPLOYEES & RELATED DISCLOSURES

The Company does not have any Managing Directors or Executive/Whole Time Directors or any Employees who were in receipt of remuneration in excess of the provisions under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014,

6. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT UNDER SECTION 186

The Company has not given any Loans or given Guarantees or made Investments in terms of provisions of Section 186 of the Companies Act, 2013

7. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

As there was no business activity in the Company during the Financial Year 2014-15, there were no Contracts or Arrangements with Related Parties.

8. RISK MANAGEMENT POLICY AND ITS IMPLEMENTATION

Since there is no business activity in the Company and there is no risk which may affect the Company and as the Company is an Un-listed Company no Risk Management Policy has been framed.

9. CORPORATE SOCIAL RESPONSIBILITY

The Company is not covered within provisions of Section 135 of the Companies Act, 2013 and rules framed thereunder.

10. MATERIAL ORDERS PASSED

No material Orders have been passed by any Authorities in respect of any matters with regards to the business of the Company.

11. INTERNAL FINANCIAL CONTROL

The Company has in place adequate Internal Financial Controls commensurate with the size of the Company with reference to Financial Statements.

12. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO :

Since the Company does not have any business activity and there were no Foreign Exchange earning, expenditure or outflow, the Particulars in respect of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo, as required to be disclosed by the Companies(Accounts) Rules, 2014, are not applicable.

13. DIRECTORS & KEY MANAGERIAL PERSONNEL:

In accordance with the Companies Act, 2013 and the Articles of Association of the Company, Dr. Rahul Mirchandani retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. Accordingly his re-appointment forms part of the notice of ensuing AGM.

The Company does not have any Managing Directors or Executive/Whole Time Directors or any Employees hence question of any Key Managerial Personnel does not arise.

14. MEETINGS OF BOARD

Four Meetings of the Board of Directors were held during the year.

15. AUDITORS & AUDITORS REPORTS

M/s. Kirti D. Shah & Associates, Chartered Accountants, Mumbai,(Membership No. 32371), were appointed as the Statutory Auditors of the Company for a period of 5(five) years at the 8th Annual General Meeting of the Company held on 22nd September, 2014.

As per the provision of Section 139(1) of the Companies Act, 2013, their appointment for the above tenure is subject to ratification by Members at every AGM. Accordingly, ratification of the Members is being sought for proposal contained in the Resolution set out at item No. 3 of the Notice.

The Statutory Auditors' Report does not contain any qualification, reservation or adverse remark.

16. DIRECTORS' RESPONSIBILITY STATEMENTS

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

1. in preparation of the Annual Accounts, applicable Accounting Standards have been followed and that there are no material departures
2. they have selected such Accounting Policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the State of the Affairs of the Company at the end of the financial year and of the Loss of the Company for that year;

3. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. they have prepared the Annual Accounts on a 'going concern' basis.
5. they have laid down Internal Financial Controls to be followed by the Company and such Internal Financial Controls are adequate and operating effectively;
6. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

17. EXTRACTS OF ANNUAL RETURN

As provided under Section 92(3) of the Companies Act, 2013 the Extract of the Annual Return is given in **Annexure-I** in prescribed Format MGT-9, which forms part of this Report.

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

No material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this Report.

19. ACKNOWLEDGEMENT :

Your Directors would like to express their grateful appreciation for the co-operation and assistance received from the HDFC Bank Ltd and other related agencies.

By Order of the Board
For **Aries Agro Equipments Pvt. Ltd.,**

Dr. Jimmy Mirchandani
Director
DIN: 00239021

Place : Mumbai
Date : 27th May, 2015

Dr. Rahul Mirchandani
Director
DIN: 00239057

Aries Agro Equipments Private Limited

ANNEXURE-I

FORM NO. MGT – 9

EXTRACT OF ANNUAL RETURN

As on the financial year ended 31.03.2015

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

I. REGISTRATION AND OTHER DETAILS

CIN	U01403MH2007PTC166972
Registration Date	12 th January, 2007
Name of the Company	ARIES AGRO EQUIPMENTS PRIVATE LIMITED
Category / Sub-Category of the Company	COMPANY LIMITED BY SHARES /INDIAN NON-GOVERNMENT COMPANY
Address of the Registered Office and contact details	Aries House, Plot No. 24, Deonar, Govandi(E), Mumbai-400 043 Phone No. 022 2556 4052/53 Fax No. 022 2556 4054/2557 1711
Whether listed Company	NO
Name, address and contact details of Registrar and Transfer Agent, if any	Not Applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No	Name and Description of main products / Services	NIC Code of the Product/ Service	% to total turnover of the Company
1	Farm Equipments	8424	0.00

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name of the Company	Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	%tage of Shares held	Applicable Section
1.	Aries Agro Limited	Aries House, Plot No. 24, Deonar, Govandi(E), Mumbai-400 043	L99999MH1969PLC014465	Holding	100	2(46)
2.	Aries Agro Care Private Limited	Aries House, Plot No. 24, Deonar, Govandi(E), Mumbai-400 043	U01122MH2007PTC166761	Associate	NIL	2(6)
3.	Aries Agro Produce Private Limited	Aries House, Plot No. 24, Deonar, Govandi(E), Mumbai-400 043	U01403MH2008PTC183789-	Associate	NIL	2(6)
4.	Aries East West Nutrients Private Limited	Aries House, Plot No. 24, Deonar, Govandi(E), Mumbai-400 043	U01229MH1983PTC030401	Associate	NIL	2(6)
5.	Aries Marketing Limited	Aries House, Plot No. 24, Deonar, Govandi(E), Mumbai-400 043	U51900MH1978PTC020254	Associate	NIL	2(6)
6.	Blossoms International Limited	Aries House, Plot No. 24, Deonar, Govandi(E), Mumbai-400 043	U01100MH1995PLC093586	Associate	NIL	2(6)
7.	Sreeni Agro Chemicals Limited	Aries House, Plot No. 24, Deonar, Govandi(E), Mumbai-400 043	U24210MH1985PLC035563	Associate	NIL	2(6)

Aries Agro Equipments Private Limited

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category wise shareholding

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2014				No. of Shares held at the end of the year 31.03.2015				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.PROMOTERS									
(1) Indian									
a) Individual/HUF	0	0	0	0	0	0	0	0	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt (s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	10000	10000	100	0	10000	10000	100	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other....	0	0	0	0	0	0	0	0	0
Sub-total (A) (1):-	0	10000	10000	100	0	10000	10000	100	0
(2) Foreign	-	-	-	-	-	-	-	-	-
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other – Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other....	0	0	0	0	0	0	0	0	0
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	0	10000	10000	100	0	10000	10000	100	0
B. PUBLIC SHAREHOLDING									-
1. Institutions									-
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual Shareholders holding nominal share capital upto ₹ 1 lakh	0	0	0	0	0	0	0	0	0
ii) Individual Shareholders holding nominal share capital in excess of ₹1 lakh	0	0	0	0	0	0	0	0	0
c) Others Directors and Relatives	0	0	0	0	0	0	0	0	0

Aries Agro Equipments Private Limited

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2014				No. of Shares held at the end of the year 31.03.2015				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
i) Shares held by Pakistani citizens vested with the Custodian of Enemy Property	0	0	0	0	0	0	0	0	0
ii) Other Foreign Nationals	0	0	0	0	0	0	0	0	0
iii) Foreign Bodies	0	0	0	0	0	0	0	0	0
iv) NRI / OCBs	0	0	0	0	0	0	0	0	0
v) Clearing Members / Clearing House	0	0	0	0	0	0	0	0	0
vi) Trusts	0	0	0	0	0	0	0	0	0
vii) Limited Liability Partnership	0	0	0	0	0	0	0	0	0
viii) Foreign Portfolio Investor (Corporate)	0	0	0	0	0	0	0	0	0
ix) Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
Sub-Total (B)(2):	0	0	0	0	0	0	0	0	0
Total Public Shareholding (B)=(B)(1)+(B)(2)	0	0	0	0	0	0	0	0	0
C. SHARES HELD BY CUSTODIAN FOR GDRS & ADRS	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	0	10000	10000	100.00	0	10000	10000	100.00	-

(ii) Shareholding of Promoters

Shareholder's Name	No. of Shares held at the beginning of the year 01.04.2014			No. of Shares held at the end of the year 31.03.2015			% Change during the year
	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
Aries Agro Limited	10000	100	0	10000	100	0	0
Total	10000	100	0	10000	100	0	0

(iii) Change in Promoters' Shareholding

There is no change in Promoter's Shareholding between 01.04.2014 to 31.03.2015.

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

Sr. No	Shareholder's Name *	Shareholding at the beginning of the year 01.04.2014		Shareholding at the end of the year 31.03.2015	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Aries Agro Limited	10000	100	10000	100

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No	Shareholder's Name	Shareholding at the beginning of the year 01.04.2014		Cumulative Shareholding during the year		Date of change in shareholding	Reason for change
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company		
1	Directors						
1	NIL						

Aries Agro Equipments Private Limited

V. INDEBTEDNESS

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

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial Year				
1. Principal Amount	NIL	35,70,859	NIL	35,70,859
2. Interest Due but not Paid	NIL	NIL	NIL	NIL
3. Interest accrued but not due	NIL	NIL	NIL	NIL
Total(1+2+3)	NIL	35,70,859	NIL	35,70,859
Change in Indebtedness during the Financial Year				
1. Addition	NIL	613	NIL	613
2. Reduction	NIL	NIL	NIL	NIL
Net Change	NIL	613	NIL	613
Indebtedness at the end of the Financial Year				
1. Principal Amount	NIL	35,71,472	NIL	35,71,472
2. Interest Due but not Paid	NIL	NIL	NIL	NIL
3. Interest accrued but not due	NIL	NIL	NIL	NIL
Total(1+2+3)	NIL	35,71,472	NIL	35,71,472

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

The Company does not have any Managing Director/ Executive Director/Whole Time Director hence no Remuneration has been paid.

B. Remuneration to other Directors:

No Remuneration has been paid to Non-Executive Directors.

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

The Company does not have any Key Managerial Personnel other than Managing Director/ Executive Director/Whole Time Director hence no Remuneration has been paid

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

There were no penalties, punishment or compounding of offences during the year ended 1st March, 2015

For and on behalf of the Board,

Place: Mumbai
Date: 27th May, 2015

Dr. Jimmy Mirchandani
Director
DIN: 00239021

Dr. Rahul Mirchandani
Director
DIN: 00239057

INDEPENDENT AUDITORS' REPORT OF ARIES AGRO EQUIPMENTS PVT. LTD.**TO THE MEMBERS OF****ARIES AGRO EQUIPMENTS PRIVATE LIMITED****Report on the Financial Statements**

We have audited the accompanying financial statements of **ARIES AGRO EQUIPMENTS PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the 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 and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2015;
- (b) in the case of the Statement of Profit and Loss, of the loss of the Company for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government in terms of Sub section (11) of Section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 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 purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books [and proper returns adequate for the purposes of our audit have been received from the branches not visited by us].
 - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164(2) of the Act and
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements as referred to in the notes to accounts of these financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Kirti D. Shah & Associates
Chartered Accountants
Firm Registration No. 115133W

Kirti D. Shah
Proprietor
Membership No. 32371

Place : MUMBAI
Date : 27th May, 2015

ANNEXURE TO THE AUDITORS' REPORT

(This is the Annexure referred to in our Report of even date)

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31st March 2015, we report that:

- i. a. The Company does not have any Fixed Assets hence Clause (i) of the said order is not applicable to the company.
- b. The Company does not have any fixed assets hence the question of physical verification & material discrepancies of the same does not arise.
- ii. a. There are no inventories during the year hence the question of physical verification by the management at reasonable intervals does not arise.
- b. The Company does not have any inventories so the maintenance of records of inventory does not arise.
- iii. According to the information and explanation given to us, the Company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, paragraphs 3(iii) (a) and (b) of the order are not applicable.
- iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. In our opinion, there is no continuing failure to correct major weaknesses in internal control.
- v. According to the information and explanations provided by the company, The Company has not accepted deposits from the public. Hence, the question of compliance with the directives issued by Reserve Bank of India and provision of sections 73, 74, 75 and 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 does not arise. No order has been passed by the National Company Law Tribunal or Company Law Board or RBI in this regard.
- vi. The nature of the business activities is such that Clause 3 (vi) of the Companies (Auditors Report 2015) regarding maintenance of Cost Records is not applicable to the Company.
- vii. a. According to the information and explanations given to us and the records of the company examined by us, in our opinion, the company is generally regular in depositing statutory dues including Provident Fund, Employee State

Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and any other material statutory dues except occasional delays. As per the information given by the management and apparent from the records the undisputed liabilities as on 31st March, 2015 is for a period exceeding six months from the date of it becoming payable is NIL.

- b. There is no disputed liability in respect of tax dues on account of Income Tax, Sales tax, Service Tax, Custom Duty, Cess etc.
- c. According to the information and explanations given to us the amounts which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there under has been transferred to such fund within time.
- viii. The Company has no accumulated losses. The Company has incurred cash losses of Rs. 0.31 lacs in the financial period under audit. The Company has incurred cash losses of Rs. 9.72 lacs in the financial period immediately preceding such financial report.
- ix. The company has not defaulted in repayment of dues to a financial institution or banks. The Company has not obtained any borrowings by way of issue of debentures.
- x. In our opinion and according to the information and the explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- xi. The company has not taken any term loans during the year under audit.
- xii. During the course of our examination of books and records of the company, carried out in accordance with generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the company, noticed or reported during the year, nor we have been informed of any such case by the management.

For Kirti D Shah & Associates
Chartered Accountants
Firm Registration No. 115133W

Place: Mumbai
Date: 27th May, 2015

Kirti D. Shah
Proprietor
Membership No. 32371

Balance Sheet as at 31st March ,2015

Particulars	Note No.	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	3	100,000	100,000
(b) Reserves and Surplus	4	7,742,586	7,773,228
		<u>7,842,586</u>	<u>7,873,228</u>
(2) Current Liabilities			
(a) Short Term Borrowings	5	3,571,472	3,570,859
(b) Trade Payables	6	533,031	511,559
		<u>4,104,503</u>	<u>4,082,417</u>
TOTAL		<u>11,947,089</u>	<u>11,955,645</u>
II. ASSETS			
(1) Current Assets			
(a) Trade Receivables	7	11,806,960	11,806,960
(b) Cash & Cash Equivalents	8	42,180	25,737
(c) Short Term Loans and Advances	9	97,949	122,949
(d) Other Current Assets	10	-	-
		<u>11,947,089</u>	<u>11,955,645</u>
TOTAL		<u>11,947,089</u>	<u>11,955,645</u>
Significant Accounting Policies & The Notes to Accounts 1 to 24 form part of these Financial Statements			

As per our Report of even date

For and on behalf of the Board

For Kirti D Shah & Associates
Chartered Accountants
Firm Registration No. 115133W

Dr. Jimmy Mirchandani
Director
DIN 00239021

Kirti D Shah
Proprietor
Membership No 32371

Dr. Rahul Mirchandani
Director
DIN 00239057

Place : Mumbai
Date : 27th May, 2014

Aries Agro Equipments Private Limited

Statement of Profit and Loss for the year ended 31st March, 2015

Particulars	Note No.	Year Ended 31 March 2015	Year Ended 31 March 2014
I. Revenue from Operations	11	-	37,796
II. Other Income	12	-	16,322
III. Total Revenue (I + II)		-	54,118
IV. Expenses :			
(a) Cost of Sales (Traded Goods)	13	-	235,223
(b) Finance Costs	14	-	6,833
(c) Amortisation	15	-	784,430
(d) Other Expenses	16	30,642	39,540
Total Expenses		30,642	1,066,026
V. Profit Before Tax (III - IV)		(30,642)	(1,011,908)
VI. Profit after Tax (PAT) - (V - VI)		(30,642)	(1,011,908)
Less:- Excess Provision for Tax in Earlier Years		-	(39,949)
VII. Profit / (Loss) for the period		(30,642)	(971,959)
VIII. Earnings per Equity Share	17		
(1) Basic & Diluted		(3.06)	(97.20)
<i>Significant Accounting Policies & The Notes to Accounts 1 to 24 form part of these Financial Statements</i>			

As per our Report of even date

For and on behalf of the Board

For Kirti D Shah & Associates
Chartered Accountants
Firm Registration No. 115133W

Dr. Jimmy Mirchandani
Director
DIN 00239021

Kirti D Shah
Proprietor
Membership No 32371

Dr. Rahul Mirchandani
Director
DIN 00239057

Place : Mumbai
Date : 27th May, 2014

Statement of Cash Flows for the year ended 31st March, 2015

(Amount in Rupees)

Sr. No.	Particulars	2014-15	2013-14
A)	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit before tax as per Profit and Loss Account	(30,642)	(1,011,908)
	Adjusted for :		
	Pre-operative Expenses w/off	-	784,430
	Bank Charges	-	6,833
		-	791,263
	Operating Profit before Working Capital Changes	(30,642)	(220,645)
	Adjusted for :		
	Trade Receivable	-	1,839,441
	Trade Payable	21,472	(19,066)
	Other Payable	-	(591,591)
		21,472	1,228,784
	Cash Generated from Operations,	(9,171)	1,008,139
	Net Prior Year Adjustments	-	39,949
		-	39,949
	Net Cash from Operating Activities	(9,171)	1,048,088
B)	CASH FLOW FROM INVESTING ACTIVITIES :		
	Movement in Short Term Loans and Advances	25,000	(4,949)
	Net Cash (used in) Investing Activities	25,000	(4,949)
C)	CASH FLOW FROM FINANCIAL ACTIVITIES:		
	Short Term Borrowings (Net)	614	(1,017,421)
	Interest Paid	-	(6,833)
	Net Cash (used in) / from financing activities	614	(1,024,254)
	Net Increase in Cash and Cash Equivalents	16,443	18,886
	Opening Balance of Cash and Cash Equivalents	25,737	6,851
	Closing Balance of Cash and Cash Equivalents	42,180	25,737

As per our Report of even date

For Kirti D Shah & Associates
Chartered Accountants
Firm Registration No. 115133W

Kirti D Shah
Proprietor
Membership No 32371

Place : Mumbai
Date : 27th May, 2014

For and on behalf of the Board

Dr. Jimmy Mirchandani
Director
DIN 00239021

Dr. Rahul Mirchandani
Director
DIN 00239057

Notes to the Financial Statements for the year ended 31st March, 2015.

1. Corporate Information

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

2. Basis of preparation

The financial statements have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the Accounting Standards, notified by the Companies Accounting Standards Rules, 2014 (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention except in case of assets for which provision for impairment is made and revaluation is carried out.

Summary of significant accounting policies

A. (i) Basis of preparations of Financial Statements

The Financial statements are prepared under the historical cost convention, except for certain fixed assets which are revalued, in accordance with the generally accepted accounting principles in India and the provisions of the Companies Act, 2013.

(ii) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

B. Tangible fixed assets

Fixed assets are stated at cost, except for revalued freehold land and buildings, which are shown at estimated replacement cost as determined by valuers less impairment loss, if any, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and other directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Leasehold land on a lease-cum-sale basis are capitalized at the allotment rates charged by the Municipal Authorities.

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

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

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

C. Depreciation on tangible fixed assets

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management, or those prescribed under the Schedule II to the Companies Act, 2013, whichever is higher.

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

The depreciation charge over and above the depreciation calculated on the original cost of the revalued assets is transferred from the revaluation reserve to the statement of profit and loss.

D. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Computer Software which is not an integral part of the related hardware is classified as an intangible asset.

Intangible assets are amortized on a straight line basis over the estimated useful economic life.

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

Notes to the Financial Statements for the year ended 31st March, 2015**E. Borrowing Costs**

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

F. Impairment of tangible and intangible assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss, except for previously revalued tangible fixed assets, where the revaluation was taken to revaluation reserve. In this case, the impairment is also recognized in the revaluation reserve up to the amount of any previous revaluation.

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

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

G. Inventories

Inventories are valued as follows:

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

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

Traded goods : Lower of cost and net realizable value. Cost includes the purchase price and other associated costs directly incurred in bringing the inventory to its present location.

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

Waste and scrap are not separately valued being insignificant in value

H. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized.

(i) Sale of products:

Revenue from sale of products is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer. The Company collects sales taxes and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year.

(ii) Interest Income:

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

Notes to the Financial Statements for the year ended 31st March, 2015

I. Investments

Investments that are readily realizable and intended to be held for not more than twelve months from the date on which such investments are made are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

J. Retirement benefits

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

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. The gratuity benefit of the Company is administered by a trust formed for this purpose through the group gratuity scheme. Actuarial gains and losses for defined benefit plan are recognized in full in the period in which they occur in the statement of profit and loss.

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

The Company treats accumulated leave expected to be carried forward beyond 12 months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

K. Foreign currency translation

The transactions in foreign currency are accounted at the exchange rate i.e. custom rate prevailing on the date of transaction. Exchange fluctuation between the transaction date and settlement date in respect of transactions are transferred to exchange rate difference account and written off to profit & loss account.

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

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

L. Income tax

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

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

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

Notes to the Financial Statements for the year ended 31st March, 2015

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

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

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on "Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961", the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

M. Earnings Per Share (EPS)

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

N. Segment reporting

Identification of segments

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and services to different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operates.

O. Provisions

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

Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

P. Contingent liability

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

Q. Cash and cash equivalents

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

All the accounting policies as mentioned above will be applied at the relevant time.

Notes to the Financial Statements for the year ended 31st March, 2015

3 SHARE CAPITAL

	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
Authorised Share Capital		
10,000 Equity Shares of Rs. 10/- each	100,000	100,000
Total	100,000	100,000
Issued, Subscribed and Paidup		
10,000 Equity Shares of Rs.10/- each.	100,000	100,000
Total	100,000	100,000

3.1 Reconciliation of Number of Shares Outstanding

Particulars	As at 31st March, 2015 No. of Shares	As at 31st March, 2014 No. of Shares
Equity Shares at the beginning of the year	10,000	10,000
Add : - Issued during the year	-	-
Less :- Shares cancelled during the year	-	-
Equity Shares at the end of the year	10,000	10,000

3.2 List of Shareholder's holding more than 5 percent of Shares

Name of the Shareholder	No. of Shares	As at 31st March, 2015 % Held	No. of Shares	As at 31st March, 2014 % Held
(i) Aries Agro Limited	10,000	100.00	10,000	100.00

4 RESERVES AND SURPLUS

	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
Profit & Loss Account		
As per last Balance Sheet	7,773,228	8,745,186
Add:- Profit for the year	(30,642)	(971,959)
Total	7,742,586	7,773,228

5 SHORT TERM BORROWINGS

	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
Un-Secured Borrowings		
Loan from Directors	1,214	600
From Holding Company	3,550,259	3,550,259
Security Deposits	20,000	20,000
Total	3,571,472	3,570,859

6 TRADE PAYABLES

	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
Creditors for expenses	533,031	511,559
Total	533,031	511,559

Notes to the Financial Statements for the year ended 31st March, 2015

- 6.1 There are no Micro and Small Enterprises to whom Company owes dues, which are outstanding for more than 45 days as at 31st March, 2015. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

7 TRADE RECEIVABLES

	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
(Unsecured - Considered Good)		
Outstanding for a period exceeding six months (from Due Date of Payment)	11,806,960	11,806,960
Total	11,806,960	11,806,960

- 7.1 Trade Receivables includes Amount due from Related Parties

Particulars	Maximum Balance during the year Rupees	As at 31st March, 2015 Rupees	Maximum Balance during the year Rupees	As at 31st March, 2014 Rupees
(i) Aries Agro Limited	11,806,960	11,806,960	11,844,756	11,806,960
Total		11,806,960		11,806,960

8 CASH AND CASH EQUIVALENTS

	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
Balance with Scheduled Banks in Current Account	42,180	25,737
Total	42,180	25,737

9 SHORT TERM LOANS AND ADVANCES

	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
Balances with Income Tax Authorities	9,949	9,949
Deposits	88,000	113,000
Total	97,949	122,949

10 OTHER CURRENT ASSETS

	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
Unamortised Expenses		
(a) As per last Balance Sheet	-	784,430
(b) Less :- 1/5th w/off	-	784,430
Total	-	-

11 REVENUE FROM OPERATIONS

	Year ended 31 March 2015 Rupees	Year ended 31 March 2014 Rupees
Sales of Traded Products	-	37,796
Total	-	37,796

Notes to the Financial Statements for the year ended 31st March, 2015

12 OTHER INCOME

	Year ended 31 March 2015 Rupees	Year ended 31 March 2014 Rupees
Other Non-Operating Income		
Misc. / Other Income	-	1,144
Re-Processing Charges	-	15,178
Total	-	16,322

13 COST OF SALES (TRADED GOODS)

	Year ended 31 March 2015 Rupees	Year ended 31 March 2014 Rupees
i) Opening Stock	-	-
Add : Sales Returns	-	37,796
Equipments Stock Written Off / Scrapped	-	197,427
	-	235,223
Less : Closing Stock	-	-
Cost of Sales of Traded Goods	-	235,223

14 FINANCE COSTS

	Year ended 31 March 2015 Rupees	Year ended 31 March 2014 Rupees
Interest Expense	-	6,833
Total	-	6,833

15 AMORTISATION

	Year ended 31 March 2015 Rupees	Year ended 31 March 2014 Rupees
Pre-operative expenses w/off	-	784,430
Total	-	784,430

16 OTHER EXPENSES

	Year ended 31 March 2015 Rupees	Year ended 31 March 2014 Rupees
Selling & Distribution Expenses		
Discount and Rebate	-	18
	-	18
Other Administration Expenses		
Audit Fees	16,854	16,854
Legal & Professional Fees	7,618	8,618
Rent, Rates & Taxes	6,150	14,050
Bank Charges	20	-
	30,642	39,522
Total	30,642	39,540

Notes to the Financial Statements for the year ended 31st March, 2015

16.1 Payment to Auditors as :

Particulars	Year Ended 31st March, 2015	Year Ended 31st March, 2014
(i) Statutory Audit Fees	16,854	16,854
(ii) Tax Audit Fees	-	-
(iii) Taxation Matters	5,618	5,618
	<u>22,472</u>	<u>22,472</u>

17 EARNINGS PER SHARE (EPS)

	Year Ended 31st March, 2015	Year Ended 31st March, 2014
i) Net Profit After Tax (PAT) as per Profit and Loss Account attributable to Equity Shareholders	(30,642)	(971,959)
ii) Weighted Average number of Equity Shares used as denominator for calculating EPS	10,000	10,000
iii) Basic & Diluted Earnings per Share (Rs.)	(3.06)	(97.20)
iv) Face Value per Equity Share (Rs.)	10	10

18. RELATED PARTY DISCLOSURES

Related Party Disclosures as per Accounting Standard - 18 issued by the Institute of Chartered Accountants of India

Part - A						
Details of Related Parties as per AS - 18						
Sr. No.	Nature of Relationship	Name of the Related Party		Remarks		
1	Holding Company	a)	Aries Agro Limited	a)	Date of becoming Subsidiary of Aries Agro Limited is 12th January, 2007 (Incorporation Date)	
2	Key Management Personnel	a)	Dr. Jimmy Mirchandani	a)	Director	
		b)	Dr. Rahul Mirchandani	b)	Director	
3	Relatives of Key Management Personnel	Name of the Key Management Personnel		Name of the Relative		Relationship
		a)	Dr. Jimmy Mirchandani	a)	Late Mrs. Sarasa Mirchandani	Spouse
				b)	Mr. Akshay Mirchandani	Son
				c)	Mr. Amol Mirchandani	Son
				d)	Dr. Rahul Mirchandani	Brother
		b)	Dr. Rahul Mirchandani	a)	Mrs. Nitya Mirchandani	Spouse
				b)	Master Armaan Mirchandani	Son
				c)	Dr. Jimmy Mirchandani	Brother
4	Fellow Subsidiaries	a)	Aries Agro Care Pvt Ltd	a)	A wholly owned Subsidiary of Aries Agro Limited	
		b)	Aries Agro Produce Pvt Ltd	b)	A Subsidiary of Aries Agro Limited	
		c)	Golden Harvest Middle East FZC	c)	A Subsidiary of Aries Agro Limited	
		d)	Amarak Chemicals FZC	d)	A Step Down Subsidiary of Aries Agro Limited	
5	Enterprises over which the Key Management Personnel have significant influence or control	a)	Aries East West Nutrients Pvt Ltd			
		b)	Aries Marketing Ltd			
		c)	Blossoms International Ltd			
		d)	Sreeni Agro Chemicals Ltd			

Notes to the Financial Statements for the year ended 31st March, 2015

Part - B				
Details of Transactions with Related Parties				
Sr. No.	Category	Nature of Service	Year Ended 31 March 2015	Year Ended 31 March 2014
1	Holding Company	Finance - Loans / Payments Given	-	1,607,597
		Finance - Loans / Payments Received	-	609,576
		Sale of Goods	-	37,796
2.	Key Management Personnel	Finance - Loans / Payments Received	614	600
Part - C				
Balance Outstanding with Related Parties				
Nature of Outstanding		Nature of Outstanding	Year Ended 31 March 2015	Year Ended 31 March 2014
1	Holding Company	Unsecured Loans	Aries Agro Limited	3,550,259
2	Key Management Personnel		Dr. Jimmy Mirchandani	600
3	Holding Company	Trade Receivables	Aries Agro Limited	11,806,960

19. Current Assets, Loan & Advances and Provisions

- The current assets and loans and advances are approximately of the value stated, if realized in the ordinary course of business.
- The provision for all known liabilities is not in excess of the amounts considered reasonably necessary.
- The balances of Sundry Creditors, Sundry Debtors and Loans and Advances are subject to confirmation.

20. Foreign Exchange Earnings & Outflow:

During the year there was no foreign exchange earning, expenditure or outflow.

21. Micro And Small Scale Business Entities

There are no micro and small Enterprises to whom company owes dues, which are outstanding for more than 45 days as at 31st March, 2015. This Information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

22. Segment Reporting

The Company has only one business segment "Agricultural Equipments" as its primary segment and hence disclosure of segment-wise information is not required under Accounting Standard 17 'Segmental Information' notified pursuant to the Companies (Accounting Standard) Rules, 2006 (as amended).

- In absence of virtual certainty that sufficient future taxable income will be available for setoff of losses incurred by the Company, the Company has not taken credit for Deferred Tax Assets.
- The Previous years figures are re-arranged or re-grouped wherever is necessary.

As per our Report of even date

For Kirti D Shah & Associates
Chartered Accountants
Firm Registration No. 115133W

Kirti D Shah
Proprietor
Membership No 32371

Place : Mumbai
Date : 27th May, 2014

For and on behalf of the Board

Dr. Jimmy Mirchandani
Director
DIN 00239021

Dr. Rahul Mirchandani
Director
DIN 00239057

NOTICE OF 7TH ANNUAL GENERAL MEETING

Notice is hereby given that the Seventh Annual General Meeting of the Members of **ARIES AGRO PRODUCE PRIVATE LIMITED** will be held on the Monday, 28th September, 2015 at 12.30 p.m. at the Registered office of the Company at Aries House, Plot No. 24, Deonar, Govandi (East), Mumbai-400 043 to transact the following business:-

1. To receive, consider, approve and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2015, together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint Director in place of Dr. Jimmy Mirchandani who retires by rotation and being eligible offers himself for re-appointment.
3. Appointment of Auditors

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

"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, the Company hereby ratifies the appointment of M/s. Kirti D. Shah & Associates, Chartered Accountants, Mumbai, (Membership No. 32371), as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the Tenth Annual General Meeting (AGM) of the Company to be held in the year 2016, at such Remuneration plus Service Tax, Out-of-Pocket, Travelling Expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors."

**By Order of the Board
For Aries Agro Produce Private Limited**

**Place: Mumbai
Date: 27th May, 2015**

**Dr. Jimmy Mirchandani
Director
DIN: 00239021**

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. THE PROXY IN ORDER TO BE EFFECTIVE SHOULD BE LODGED WITH THE COMPANY AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

DIRECTOR'S REPORT

To,
The Members of
Aries Agro Produce Private Limited.

Your Directors are pleased to present the their Seventh Annual Report together with Audited Financial Statements of the Company for the Financial Year ended 31st March, 2015.

1. FINANCIAL RESULTS :

The Company has incurred a loss of Rs. 19,610/- during the year under review.

2. STATUS OF THE PROJECT :

The operations of the Company has not yet commenced. The Company has entered into Memorandum of Understanding with the Government of Gujarat for Corporate Farming and Food Processing operations which is yet to commence.

3. DIVIDEND :

Since the Company has not commenced commercial production during the period under review, the Company has not made any profits. Hence, your Directors have not recommended any dividend for the period under review.

4. DEPOSITS :

The Company has not accepted any Fixed Deposits from the Public.

5. PARTICULARS OF EMPLOYEES & RELATED DISCLOSURES

The Company does not have any Managing Directors or Executive/Whole Time Directors or any Employees who were in receipt of remuneration in excess of the provisions under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

6. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT UNDER SECTION 186

The Company has not given any Loans or given Guarantees or made Investments in terms of provisions of Section 186 of the Companies Act, 2013

7. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

As there was no business activity in the Company during the Financial Year 2014-15, there were no Contracts or Arrangements with Related Parties.

8. RISK MANAGEMENT POLICY AND ITS IMPLEMENTATION

Since there is no business activity in the Company and there is no risk which may affect the Company and as the Company is an Un-listed Company no Risk Management Policy has been framed.

9. CORPORATE SOCIAL RESPONSIBILITY

The Company is not covered within provisions of Section 135 of the Companies Act, 2013 and rules framed thereunder.

10. MATERIAL ORDERS PASSED

No material Orders have been passed by any Authorities in respect of any matters with regards to the business of the Company.

11. INTERNAL FINANCIAL CONTROL

The Company has in place adequate Internal Financial Controls commensurate with the size of the Company with reference to Financial Statements.

12. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO :

Since the Company does not have any business activity and there were no Foreign Exchange earning, expenditure or outflow, the Particulars in respect of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo, as required to be disclosed by the Companies (Accounts) Rules, 2014, are not applicable.

13. DIRECTORS & KEY MANAGERIAL PERSONNEL:

In accordance with the Companies Act, 2013 and the Articles of Association of the Company, Dr. Jimmy Mirchandani retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. Accordingly his re-appointment forms part of the notice of ensuing AGM.

The Company does not have any Managing Directors or Executive/Whole Time Directors or any Employees hence question of any Key Managerial Personnel does not arise.

14. MEETINGS OF BOARD

Four Meetings of the Board of Directors were held during the year.

15. AUDITORS :

M/s. Kirti D. Shah & Associates, Chartered Accountants, Mumbai, (Membership No. 32371), were appointed as the Statutory Auditors of the Company for a period of 5(five) years at the 6th Annual General Meeting of the Company held on 22nd September, 2014.

As per the provision of Section 139(1) of the Companies Act, 2013, their appointment for the above tenure is subject to ratification by Members at every AGM. Accordingly, ratification of the Members is being sought for proposal contained in the Resolution set out at item No. 3 of the Notice.

16. DIRECTORS' REPLY TO OBSERVATIONS / REMARKS MADE IN AUDITORS' REPORT (Para (viii) of the Annexure to the Auditors' Report)

1. The Auditors have in their Audit Report commented that the Company has made cash losses during the year and the accumulated losses are in excess of 50% of the Paid Up Capital and Free Reserves.
2. To this the Directors wish to inform that the operations of the Company has not yet commenced and the Cash losses and Accumulated losses are due to the same reason.

17. DIRECTORS' RESPONSIBILITY STATEMENTS

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

1. in preparation of the Annual Accounts, applicable Accounting Standards have been followed and that there are no material departures

2. they have selected such Accounting Policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the State of the Affairs of the Company at the end of the financial year and of the Loss of the Company for that year;
3. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. they have prepared the Annual Accounts on a 'going concern' basis.
5. they have laid down Internal Financial Controls to be followed by the Company and such Internal Financial Controls are adequate and operating effectively;
6. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

18. EXTRACTS OF ANNUAL RETURN

As provided under Section 92(3) of the Companies Act, 2013 the Extract of the Annual Return is given in Annexure-I in prescribed Format MGT-9, which forms part of this Report.

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

No material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this Report.

20. ACKNOWLEDGEMENT :

Your Directors would like to express their grateful appreciation for the co-operation and assistance received from the ICICI Bank Ltd and other related agencies.

By Order of the Board
For **Aries Agro Produce Pvt. Ltd.,**

Dr. Jimmy Mirchandani
Director
DIN: 00239021

Dr. Rahul Mirchandani
Director
DIN: 00239057

Place: Mumbai
Date : 27th May, 2015

FORM NO. MGT – 9
EXTRACT OF ANNUAL RETURN
As on the financial year ended 31.03.2015

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

I. REGISTRATION AND OTHER DETAILS

CIN	U01403MH2008PTC183789
Registration Date	20 th June, 2008
Name of the Company	ARIES AGRO PRODUCE PRIVATE LIMITED
Category / Sub-Category of the Company	COMPANY LIMITED BY SHARES /INDIAN NON-GOVERNMENT COMPANY
Address of the Registered Office and contact details	Aries House, Plot No. 24, Deonar, Govandi(E), Mumbai-400 043 Phone No. 022 2556 4052/53 Fax No. 022 2556 4054/2557 1711
Whether listed Company	NO
Name, address and contact details of Registrar and Transfer Agent, if any	Not Applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No	Name and Description of main products / Services	NIC Code of the Product/ Service	% to total turnover of the Company
1	Farming	0710	0.00

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name of the Company	Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	%tage of Shares held	Applicable Section
1.	Aries Agro Limited	Aries House, Plot No. 24, Deonar, Govandi(E), Mumbai-400 043	L99999MH1969PLC014465	Holding	75	2(46)
2.	Aries Agro Care Private Limited	Aries House, Plot No. 24, Deonar, Govandi(E), Mumbai-400 043	U01122MH2007PTC166761	Associate	NIL	2(6)
3.	Aries Agro Equipments Private Limited	Aries House, Plot No. 24, Deonar, Govandi(E), Mumbai-400 043	U01403MH2007PTC166972	Associate	NIL	2(6)
4.	Aries East West Nutrients Private Limited	Aries House, Plot No. 24, Deonar, Govandi(E), Mumbai-400 043	U01229MH1983PTC030401	Associate	NIL	2(6)
5.	Aries Marketing Limited	Aries House, Plot No. 24, Deonar, Govandi(E), Mumbai-400 043	U51900MH1978PTC020254	Associate	NIL	2(6)
6.	Blossoms International Limited	Aries House, Plot No. 24, Deonar, Govandi(E), Mumbai-400 043	U01100MH1995PLC093586	Associate	NIL	2(6)
7.	Sreeni Agro Chemicals Limited	Aries House, Plot No. 24, Deonar, Govandi(E), Mumbai-400 043	U24210MH1985PLC035563	Associate	NIL	2(6)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category wise shareholding

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2014				No. of Shares held at the end of the year 31.03.2015				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.PROMOTERS									
(1) Indian									
a) Individual/HUF	0	2500	2500	25	0	2500	2500	25	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt (s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	7500	7500	75	0	7500	7500	75	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other....	0	0	0	0	0	0	0	0	0
Sub-total (A) (1):-	0	10000	10000	100	0	10000	10000	100	0
(2) Foreign	-	-	-	-	-	-	-	-	-
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other – Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other....	0	0	0	0	0	0	0	0	0
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	0	10000	10000	100	0	10000	10000	100	0
B. PUBLIC SHAREHOLDING									-
1. Institutions									-
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual Shareholders holding nominal share capital upto ₹ 1 lakh	0	0	0	0	0	0	0	0	0
ii) Individual Shareholders holding nominal share capital in excess of ₹1 lakh	0	0	0	0	0	0	0	0	0
c) Others Directors and Relatives	0	0	0	0	0	0	0	0	0
i) Shares held by Pakistani citizens vested with the Custodian of Enemy Property	0	0	0	0	0	0	0	0	0

Aries Agro Produce Private Limited

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2014				No. of Shares held at the end of the year 31.03.2015				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
ii) Other Foreign Nationals	0	0	0	0	0	0	0	0	0
iii) Foreign Bodies	0	0	0	0	0	0	0	0	0
iv) NRI / OCBs	0	0	0	0	0	0	0	0	0
v) Clearing Members / Clearing House	0	0	0	0	0	0	0	0	0
vi) Trusts	0	0	0	0	0	0	0	0	0
vii) Limited Liability Partnership	0	0	0	0	0	0	0	0	0
viii) Foreign Portfolio Investor (Corporate)	0	0	0	0	0	0	0	0	0
ix) Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
Sub-Total (B)(2):	0	0	0	0	0	0	0	0	0
Total Public Shareholding (B)=(B)(1)+(B)(2)	0	0	0	0	0	0	0	0	0
C. SHARES HELD BY CUSTODIAN FOR GDRS & ADRS	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	0	10000	10000	100.00	0	10000	10000	100.00	-

(ii) Shareholding of Promoters

Shareholder's Name	No. of Shares held at the beginning of the year 01.04.2014			No. of Shares held at the end of the year 31.03.2015			% Change during the year
	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
Aries Agro Limited	7500	75	0	7500	75	0	0
Dr. Jimmy Mirchandani	1300	13	0	1200	12	0	-100
Dr. Rahul Mirchandani	1200	12	0	1200	12	0	0
Mr. Amol Mirchandani	0	0	0	100	1	0	+100
Total	10000	100	0	10000	100	0	0

(iii) Change in Promoters' Shareholding

There is no change in Promoter's Shareholding between 01.04.2014 to 31.03.2015.

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

Sr. No	Shareholder's Name *	Shareholding at the beginning of the year 01.04.2014		Shareholding at the end of the year 31.03.2015	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Aries Agro Limited	7500	75	7500	75
2	Dr. Jimmy Mirchandani	1300	13	1200	12
3	Dr. Rahul Mirchandani	1200	12	1200	12
4	Mr. Amol Mirchandani	0	0	100	1
	Total	10000	100	10000	100

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No	Shareholder's Name	Shareholding at the beginning of the year 01.04.2014		Cumulative Shareholding during the year		Date of change in shareholding	Reason for change
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company		
1	Directors	NIL					

V. INDEBTEDNESS

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

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial Year				
1. Principal Amount	NIL	65,460	NIL	65,460
2. Interest Due but not Paid	NIL	NIL	NIL	NIL
3. Interest accrued but not due	NIL	NIL	NIL	NIL
Total(1+2+3)	NIL	65,460	NIL	65,460
Change in Indebtedness during the Financial Year				
1. Addition	NIL	NIL	NIL	NIL
2. Reduction	NIL	NIL	NIL	NIL
Net Change	NIL	NIL	NIL	NIL
Indebtedness at the end of the Financial Year				
1. Principal Amount	NIL	65,460	NIL	65,460
2. Interest Due but not Paid	NIL	NIL	NIL	NIL
3. Interest accrued but not due	NIL	NIL	NIL	NIL
Total(1+2+3)	NIL	65,460	NIL	65,460

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

The Company does not have any Managing Director/ Executive Director/Whole Time Director hence no Remuneration has been paid.

B. Remuneration to other Directors:

No Remuneration has been paid to Non-Executive Directors.

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

The Company does not have any Key Managerial Personnel other than Managing Director/ Executive Director/Whole Time Director hence no Remuneration has been paid

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

There were no penalties, punishment or compounding of offences during the year ended

31st March, 2015

For and on behalf of the Board,

Place: Mumbai
Date: 27th May, 2015

Dr. Jimmy Mirchandani
Director
DIN: 00239021

Dr. Rahul Mirchandani
Director
DIN: 00239057

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ARIES AGRO PRODUCE PRIVATE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **ARIES AGRO PRODUCE PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the 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 and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 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 financial statements.

Opinion

In our opinion and to the best of our information and according to

the explanations given to us, the aforesaid 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:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2015;
- (b) in the case of the Statement of Profit and Loss, of the loss of the Company for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government in terms of Sub section (11) of Section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 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 purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books [and proper returns adequate for the purposes of our audit have been received from the branches not visited by us].
 - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164(2) of the Act and
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements as referred to in the notes to accounts of these financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Kirti D. Shah & Associates
Chartered Accountants
Firm Registration No. 115133W

Kirti D. Shah
Proprietor

Place : Mumbai
Date : 27th May, 2015

Membership No.32371

ANNEXURE TO THE AUDITORS' REPORT

(This is the Annexure referred to in our Report of even date)

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31st March 2015, we report that:

- i. a. The Company does not have any Fixed Assets hence Clause (i) of the said order is not applicable to the company.
- b. The Company does not have any fixed assets hence the question of physical verification & material discrepancies of the same does not arise.
- ii. a. There are no inventories during the year hence the question of physical verification by the management at reasonable intervals does not arise.
- b. The Company does not have any inventories so the maintenance of records of inventory does not arise.
- iii. According to the information and explanation given to us, the Company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, paragraphs 3(iii) (a) and (b) of the order are not applicable.
- iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. In our opinion, there is no continuing failure to correct major weaknesses in internal control.
- v. According to the information and explanations provided by the company, The Company has not accepted deposits from the public. Hence, the question of compliance with the directives issued by Reserve Bank of India and provision of sections 73, 74, 75 and 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 does not arise. No order has been passed by the National Company Law Tribunal or Company Law Board or RBI in this regard.
- vi. The nature of the business activities is such that Clause 3 (vi) of the Companies (Auditors Report 2015) regarding maintenance of Cost Records is not applicable to the Company.
- vii. a. According to the information and explanations given to us and the records of the company examined by us, in our opinion, the company is generally regular in depositing statutory dues including Provident Fund, Employee State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and any other material statutory dues except occasional delays. As per the information given by the management and apparent from the records the undisputed liabilities as on 31st March 2015 is for a period exceeding six months from the date of it becoming payable is NIL.
- b. There is no disputed liability in respect of tax dues on account of Income Tax, Sales tax, Service Tax, Custom Duty, Cess etc.
- c. According to the information and explanations given to us the amounts which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there under has been transferred to such fund within time.
- viii. **The company was incorporated in the year 2008 and has incurred cash losses of Rs. 0.20 lac during the year and has incurred cash loss of Rs. 0.24 lac during the F.Y. 2013-14. The accumulated loss as on 31st March, 2015 was Rs. 2.73 lacs. Accumulated losses are in excess of 50% of its paid up capital and free reserves.**
- ix. The company has not defaulted in repayment of dues to a financial institution or banks. The Company has not obtained any borrowings by way of issue of debentures.
- x. In our opinion and according to the information and the explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- xi. The company has not taken any term loans during the year under audit.
- xii. During the course of our examination of books and records of the company, carried out in accordance with generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the company, noticed or reported during the year, nor we have been informed of any such case by the management.

For Kirti D Shah & Associates
Chartered Accountants
Firm Registration No. 115133W

Kirti D. Shah
Proprietor
Membership No. 32371

Place: Mumbai
Date : 27th May, 2015

Aries Agro Produce Private Limited

Balance Sheet as at 31st March, 2015

Particulars	Note No.	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	3	100,000	100,000
(b) Reserves and Surplus	4	(272,778)	(253,168)
		<u>(172,778)</u>	<u>(153,168)</u>
(2) Current Liabilities			
(a) Short Term Borrowings	5	69,514	67,980
(b) Trade Payables	6	103,264	86,411
		<u>172,778</u>	<u>154,390</u>
TOTAL		<u>-</u>	<u>1,222</u>
II. ASSETS			
(1) Current Assets			
(a) Cash & Cash Equivalents	7	-	1,222
		<u>-</u>	<u>1,222</u>
TOTAL		<u>-</u>	<u>1,222</u>
Significant Accounting Policies &			
The Notes to Accounts 1 to 16 form part of these Financial Statements			

As per our report of even date

For Kirti D. Shah & Associates
Chartered Accountants
Firm Registration No. 115133W

Kirti D. Shah
Proprietor
Membership No 32371

Place : Mumbai

Date:- 27th May, 2015

For and on behalf of the Board

Dr. Jimmy Mirchandani
Director
DIN 00239021

Dr. Rahul Mirchandani
Director
DIN 00239057

Statement of Profit and Loss for the year ended 31st March 2015

Particulars	Note No.	Year Ended 31 March 2015 Rupees	Year Ended 31 March 2014 Rupees
I. Expenses :			
(a) Other Expenses	8	<u>19,610</u>	<u>24,084</u>
Total Expenses		<u>19,610</u>	<u>24,084</u>
II. Profit Before Tax		<u>(19,610)</u>	<u>(24,084)</u>
III. Profit / (Loss) for the period (PAT)		<u>(19,610)</u>	<u>(24,084)</u>
III. Earnings per Equity Share			
(1) Basic & Diluted	9	(1.96)	(2.41)
<i>Significant Accounting Policies & The Notes to Accounts 1 to 16 form part of these Financial Statements</i>			

As per our report of even date

For Kirti D. Shah & Associates
Chartered Accountants
Firm Registration No. 115133W

Kirti D. Shah
Proprietor
Membership No 32371

Place : Mumbai
Date:- 27th May, 2015

For and on behalf of the Board

Dr. Jimmy Mirchandani
Director
DIN 00239021

Dr. Rahul Mirchandani
Director
DIN 00239057

Statement of Cash Flows for the year ended 31st March, 2015
(Rupees in Lacs)

Sr. No.	Particulars	2014-15	2013-14
A)	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit before tax as per Statement of Profit and Loss	(19,610)	(24,084)
	Operating Profit before Working Capital Changes	(19,610)	(24,084)
	Adjusted for :		
	Trade Payable	16,853	16,855
	Other Payable	-	1,499
		16,853	18,354
	Cash Generated from Operations,	(2,757)	(5,730)
	Net Cash from Operating Activities	(2,757)	(5,730)
B)	CASH FLOW FROM INVESTING ACTIVITIES :		
	Net Cash (used in) Investing Activities	-	-
C)	CASH FLOW FROM FINANCIAL ACTIVITIES:		
	Short Term Borrowings (Net)	1,534	-
	Net Cash (used in) / from financing activities	1,534	-
	Net Increase in Cash and Cash Equivalents	(1,223)	(5,730)
	Opening Balance of Cash and Cash Equivalents	1,222	6,953
	Closing Balance of Cash and Cash Equivalents	-	1,222

As per our report of even date
For Kirti D. Shah & Associates

Chartered Accountants
Firm Registration No. 115133W

Kirti D. Shah

Proprietor
Membership No 32371

Place : Mumbai

Date:- 27th May, 2015

For and on behalf of the Board
Dr. Jimmy Mirchandani

Director
DIN 00239021

Dr. Rahul Mirchandani

Director
DIN 00239057

Notes to the Financial Statements for the year ended 31st March 2015

1. Corporate Information

Aries Agro Produce Private Limited was incorporated in June, 2008 as a Subsidiary of Aries Agro Limited for carrying business in all kinds of farming.

2. Basis of preparation

The financial statements have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the Accounting Standards, notified by the Companies Accounting Standards Rules, 2014 (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention except in case of assets for which provision for impairment is made and revaluation is carried out.

Summary of significant accounting policies

A. (i) Basis of preparations of Financial Statements

The Financial statements are prepared under the historical cost convention, except for certain fixed assets which are revalued, in accordance with the generally accepted accounting principles in India and the provisions of the Companies Act, 2013.

(ii) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

B. Tangible fixed assets

Fixed assets are stated at cost, except for revalued freehold land and buildings, which are shown at estimated replacement cost as determined by valuers less impairment loss, if any, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and other directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Leasehold land on a lease-cum-sale basis are capitalised at the allotment rates charged by the Municipal Authorities.

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

The Company adjusts exchange differences arising on translation/ settlement of long-term foreign currency

monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset.

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

C. Depreciation on tangible fixed assets

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management, or those prescribed under the Schedule II to the Companies Act, 2013, whichever is higher.

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

The depreciation charge over and above the depreciation calculated on the original cost of the revalued assets is transferred from the revaluation reserve to the statement of profit and loss.

D. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Computer Software which is not an integral part of the related hardware is classified as an intangible asset.

Intangible assets are amortized on a straight line basis over the estimated useful economic life.

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

E. Borrowing Costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

F. Impairment of tangible and intangible assets

The Company assesses at each reporting date whether

Notes to the Financial Statements for the year ended 31st March 2015

there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss, except for previously revalued tangible fixed assets, where the revaluation was taken to revaluation reserve. In this case, the impairment is also recognized in the revaluation reserve up to the amount of any previous revaluation.

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

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

G. Inventories

Inventories are valued as follows:

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

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

Traded goods : Lower of cost and net realizable value. Cost includes the purchase price and other associated costs directly incurred in bringing the inventory to its present location.

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

Waste and scrap are not separately valued being insignificant in value

H. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised.

(i) Sale of products:

Revenue from sale of products is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. The Company collects sales tax and value added tax (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year.

(ii) Interest Income:

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

I. Investments

Investments that are readily realisable and intended to be held for not more than twelve months from the date on which such investments are made are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

Notes to the Financial Statements for the year ended 31st March 2015

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss

J. Retirement benefits

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

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. The gratuity benefit of the Company is administered by a trust formed for this purpose through the group gratuity scheme. Actuarial gains and losses for defined benefit plan are recognized in full in the period in which they occur in the statement of profit and loss.

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

The Company treats accumulated leave expected to be carried forward beyond 12 months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

K. Foreign currency translation

The transactions in foreign currency are accounted at the exchange rate i.e. custom rate prevailing on the date of transaction. Exchange fluctuation between the transaction date and settlement date in respect of transactions are transferred to exchange rate difference account and written off to profit & loss account.

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

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

L. Income tax

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current

income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred tax liability is recognised for all taxable timing differences. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

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

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

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

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on "Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961", the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes

Notes to the Financial Statements for the year ended 31st March, 2014

down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

M. Earnings Per Share (EPS)

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

There is no reasonable certainty of future prospects of the company for profit earning hence deferred tax is not provided in the books of accounts.

N. Segment reporting

Identification of segments

The Company's operating businesses are organised and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and services to different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operates.

O. Provisions

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

Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

P. Contingent liability

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

Q. Cash and cash equivalents

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

All the accounting policies as mentioned above will be applied at the relevant time.

3 SHARE CAPITAL

	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
Authorised Share Capital		
5,00,000 Equity Shares of Rs. 10/- each	5,000,000	5,000,000
Total	5,000,000	5,000,000
Issued, Subscribed and Paidup		
10,000 Equity Shares of Rs.10/- each.	100,000	100,000
Total	100,000	100,000

Notes to the Financial Statements for the year ended 31st March 2015

3.1 Reconciliation of Number of Shares Outstanding

Particulars	As at 31st March, 2015 No. of Shares	As at 31st March, 2014 No. of Shares
Equity Shares at the beginning of the year	10,000	10,000
Add : - Issued during the year	-	-
Less :- Shares cancelled during the year	-	-
Equity Shares at the end of the year	<u>10,000</u>	<u>10,000</u>

3.2 List of Shareholder's holding more than 5 percent of Shares

Name of the Shareholder	As at 31st March, 2015 No. of Shares	% Held	As at 31st March, 2014 No. of Shares	% Held
(i) Dr. Jimmy Mirchandani	1,200	12.00%	1,300	13.00%
(ii) Dr. Rahul Mirchandani	1,200	12.00%	1,200	12.00%
(iii) Aries Agro Ltd	7,500	75.00%	7,500	75.00%

4 RESERVES AND SURPLUS

	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
As per last Balance Sheet	(253,168)	(229,083)
Add:- Profit /(Loss) as per Statement of Profit & Loss	(19,610)	(24,084)
Total	<u>(272,778)</u>	<u>(253,168)</u>

5 SHORT TERM BORROWINGS

	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
Un-Secured Borrowings		
Loan from Directors		
Jimmy Mirchandani	4,054	2,520
Loan from Holding Company		
Aries Agro Limited	65,460	65,460
	<u>69,514</u>	<u>67,980</u>

6 TRADE PAYABLES

	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
Creditors for Expenses	103,264	86,411
Total	<u>103,264</u>	<u>86,411</u>

7 CASH & CASH EQUIVALENTS

	As at 31 March 2015 Rupees	As at 31 March 2014 Rupees
Balance with Scheduled Banks in Current Account	-	1,222
Total	<u>-</u>	<u>1,222</u>

Notes to the Financial Statements for the year ended 31st March, 2015
8 OTHER EXPENSES

	Year Ended 31 March, 2015 Rupees	Year Ended 31 March, 2014 Rupees
Other Administration Expenses		
Audit Fees	11,236	11,236
Legal & Professional Fees	5,618	5,618
Rent, Rates & Taxes	1,500	1,500
Bank Charges	1,256	5,730
Total	19,610	24,084

8.1 Payment to Auditors as :

	Year Ended 31 March, 2015 Rupees	Year Ended 31 March, 2014 Rupees
Statutory Audit Fees	11,236	11,236
Taxation Matters	5,618	5,618
	16,854	16,854

9 EARNINGS PER SHARE (EPS)

	Year Ended 31 March, 2015 Rupees	Year Ended 31 March, 2014 Rupees
i) Net Profit After Tax (PAT) as per Statement of Profit and Loss attributable to Equity Shareholders	(19,610)	(24,084)
ii) Weighted Average number of Equity Shares used as denominator for calculating EPS	10,000	10,000
iii) Basic & Diluted Earnings per Share (Rs.)	(1.96)	(2.41)
iv) Face Value per Equity Share (Rs.)	10	10

10 RELATED PARTY DISCLOSURES

Related Party Disclosures as per Accounting Standard - 18 issued by the Institute of Chartered Accountants of India

Part - A				
Details of Related Parties as per AS - 18				
Sr. No.	Nature of Relationship	Name of the Related Party	Remarks	
1	Holding Company	a) Aries Agro Limited	a) Date of becoming Subsidiary of Aries Agro Limited is 20th June, 2008 (Incorporation Date)	
2	Key Management Personnel	a) Dr. Jimmy Mirchandani b) Dr. Rahul Mirchandani	a) Director b) Director	
3	Relatives of Key Management Personnel	Name of the Key Management Personnel	Name of the Relative	Relationship
		a) Dr. Jimmy Mirchandani	a) Late Mrs. Sarasa Mirchandani b) Mr. Akshay Mirchandani c) Mr. Amol Mirchandani d) Dr. Rahul Mirchandani	Spouse Son Son Brother
		b) Dr. Rahul Mirchandani	a) Mrs. Nitya Mirchandani b) Mastar Amaan Mirchandani c) Dr. Jimmy Mirchandani	Spouse Son Brother
4	Fellow Subsidiaries	a) Aries Agro Care Pvt Ltd b) Aries Agro Equipments Pvt Ltd c) Golden Harvest Middle East FZC d) Amarak Chemicals FZC	a) A wholly owned Subsidiary of Aries Agro Limited b) A wholly owned Subsidiary of Aries Agro Limited c) A Subsidiary of Aries Agro Limited d) A Step Down Subsidiary of Aries Agro Limited	
5	Enterprises over which the Key Management Personnel have significant influence or control	a) Aries East West Nutrients Pvt Ltd b) Aries Marketing Ltd c) Blossoms International Ltd d) Sreeni Agro Chemicals Ltd		

Notes to the Financial Statements for the year ended 31st March 2015

Part - B				
Details of Transactions with Related Parties				
Sr. No.	Category	Nature of Service	Year Ended 31 March, 2015 Rupees	Year Ended 31 March, 2014 Rupees
1	Key Management Personnel	Finance - Loans / Payments Received	1,534	2,520

Part - C				
Balance Outstanding with Related Parties				
Category	Nature of Outstanding	Name of the Party	As at 31 March, 2015 Rupees	As at 31 March, 2014 Rupees
Unsecured Loans	Holding Company	Aries Agro Limited	65,460	65,460
	Key Management Personnel	Dr. Jimmy Mirchandani	4,054	2,520

11. Current Assets, Loan & Advances and Provisions

- a) The current assets and loans and advances are approximately of the value stated, if realized in the ordinary course of business.
- b) The provision for all known liabilities is not in excess of the amounts considered reasonably necessary.
- c) The balances of Sundry Creditors and Loans and Advances are subject to confirmation. .

12. Contingent liability is generally not provided in the accounts but is disclosed by way of notes to accounts.

13. Foreign Exchange Earnings & Outflow:

During the year there were no Foreign Exchange earnings, expenditure or outflow.

14. Micro And Small Scale Business Entities

There are no micro and small Enterprises to whom company owes dues, which are outstanding for more than 45 days as at 31st March, 2015. This Information as required to be disclosed under the micro, small and medium enterprises development Act , 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

15. In absence of virtual certainty that sufficient future taxable income will be available for Setoff of losses incurred by the company, the company has not taken credit for Deferred tax assets.

16. Previous year's figures have been regrouped wherever necessary so as to make them comparable with the current year.

As per our report of even date

For Kirti D. Shah & Associates
Chartered Accountants
Firm Registration No. 115133W

Kirti D. Shah
Proprietor
Membership No 32371
Place : Mumbai
Date:- 27th May, 2015

For and on behalf of the Board

Dr. Jimmy Mirchandani
Director
DIN 00239021

Dr. Rahul Mirchandani
Director
DIN 00239057





45th ANNUAL GENERAL MEETING

Registered Office: Aries House, Plot No. 24, Deonar, Govandi, (East), Mumbai-400 043.

ATTENDANCE SLIP

Please complete this attendance slip and hand over at the entrance of the Meeting Hall

L.F. No(s) / DP ID & Client ID _____

NAME OF THE SHAREHOLDER _____

PROXY _____

No. of Shares held : _____

I / We hereby record our presence at the **Forty Fifth Annual General Meeting** held on Wednesday, the **30th September, 2015** at 10.00 a.m. at The Chembur Gymkhana, 16th Road, Chembur, Mumbai – 400 071.

SIGNATURE OF THE SHAREHOLDER / PROXY* _____

*Strike out whichever is not applicable



45th ANNUAL GENERAL MEETING

Registered Office: Aries House, Plot No. 24, Deonar, Govandi, (East), Mumbai-400 043.

PROXY FORM

I / We _____

of _____ being the Member / Members of ARIES AGRO LIMITED, MUMBAI, hereby appoint

Mr. _____

of _____ or failing him Mr. _____

of _____ as my / our proxy to vote for me / us on my / our behalf, at the **Forty Fifth Annual General Meeting** of the Company to be held on Wednesday, the **30th September, 2015** and at any adjournment thereof.

Affix
Re.1/-
Revenue
Stamp

Signed this _____ day of _____, 2015

CUSTOMER CONVENTIONS



Flash Sale and Aries Customer Convention of Jammu & Kashmir Dealers at Srinagar



Flash Sale and Aries Customer Convention of Orissa and Jharkhand Dealers at Puri



All India Chairmans Club Meet at Malaysia with Top 60 Aries Customers



Flash Sale and Aries Customer Convention of Rajasthan, Haryana and Himachal Pradesh Dealers at Udaipur



Flash Sale and Aries Customer Convention of Maharashtra Dealers at Hampi, Karnataka.



CUSTOMER CONVENTIONS



Flash sale and Aries Customer Convention of UP, Punjab, Bihar & Uttarakhand dealers at Shimla



Tamil Nadu, Kerala and South Karnataka customers meet at Mettupalayam



Top performers of the Aries Maharashtra team celebrating another successful year



All India Chairmans's club meet in Kuala Lumpur, Malaysia



CORPORATE SOCIAL RESPONSIBILITY



Inauguration of Executive Development Programme for Senior Managers at Kumaraguru College of Technology, Coimbatore



Farmers Meeting to share agriculture best practices



Aries Farmers Call Centre at Vijayawada



Swacha Bharat Abhiyan organized by Aries team in Guntur



Construction of Girls Washroom at Timmarajupalem



Workshop on Good Agri Practices in Balanced Crop Nutrition



CORPORATE SOCIAL RESPONSIBILITY



Tree plantation drive organized by Aries Agro.



Get together with dealer's families and children.



Aries led the first response providing extensive relief material in the aftermath of Kashmir floods.



Soft skills development for Aries senior managers

BOOK POST

F.NSE/QPA/7513

31st August, 2015

Listing Department

National Stock Exchange of India Ltd.

'Exchange Plaza', Bandra Kurla Complex,

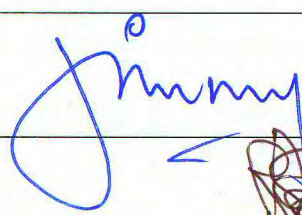
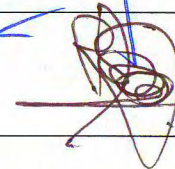


Bandra (East), Mumbai – 400 051.

Fax No. **26598237/38, 26598347/48**

Ref: **Scrip Code- ARIES**

Dear Sir,

As required by clause 31(a) of the Listing Agreement, given below is the Form A duly signed.

1.	Name of the Company	ARIES AGRO LIMITED
2.	Annual Financial Statements for the year ended	31st March, 2015
3.	Type of Audit Observation	Un-qualified/Matter of Emphasis
4.	Frequency of Observation	Not Applicable
5.	Signatures:	
	Dr. Jimmy Mirchandani, Chairman & Managing Director	
	Mr. S. Ramamurthy, Chief Financial Officer	
	Mr. Kirti D. Shah, Proprietor, M/S. Kirti D. Shah & Associates, Statutory Auditors	
	Prof. R. S. S. Mani, Chairman, Audit Committee of Aries Agro Limited	

Kindly take the same on your records.

Thanking You,

Yours faithfully,

For **ARIES AGRO LIMITED**


KAISER P. ANSARI

COMPANY SECRETARY & COMPLIANCE OFFICER

