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Azadpur Commercial Complex, Delhi -110 033
Telefax : +91 11 27679700-05 (6 Lines)
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www.insecticidesindia.com
CIN : L65991DL1996PLC083909



insecticides
(INDIA) LIMITED

May 27, 2017

The Manager

Department of Corporate Services BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001 Scrip Code: 532851	Listing Department National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai- 400 051 Symbol: INSECTICID
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Dear Sirs/Madam,

Re: Outcome of the Board Meeting

This has reference to our letter dated May 13, 2017.

The Board of Directors at the meeting held today, i.e May 27, 2017, *inter alia* transacted the following business:

1. Financial Results

- Approved the Audited Standalone Financial Results of the Company, for the quarter ended March 31, 2017
- Approved the Audited Standalone and Consolidated Financial Results of the Company, for the Financial Year ended March 31, 2017

Mohit Parekh & Co., the Statutory Auditors of the Company have issued Auditor's Report with an unmodified opinion on the financial statements.

2. Dividend and 20th Annual General Meeting

Recommend a dividend of Rs. 2/- per Equity Share of Rs. 10/- each to the shareholders for the Financial Year Ended March 31, 2017, subject to the approval of shareholders at the ensuing Annual General Meeting of the Company to be held on August 08, 2017.

Sateep Khandelwal



The dividend, if approved by the shareholders at the AGM, will be paid on and from August 10, 2017.

3. Book Closure

Approved Closure of Register of Members and Share Transfer Book of the Company from Monday, July 31, 2017 to Tuesday, August 08, 2017 (both day inclusive) for the purpose of AGM and Payment of Dividend.

4. Statutory Auditors of the Company

In term of Section 139 of the Companies Act, 2013, the Current Statutory Auditors of the Company, will end at conclusion of the 20th AGM of the Company.

The Board recommend that S S Kothari Mehta & Co., (Firm registration No.000756N) and Daves Parekh & Co., (Firm Registration No.013338N), be appointed as the Joint Statutory Auditor of the Company, for a term of 5 years commencing from Company's Financial Year ending March 31, 2018 to hold office from the conclusion of the 20th Annual General Meeting scheduled to be held on August 08, 2017 till the conclusion of 25th Annual General Meeting to be held in the year 2022, subject to approval of the Shareholders of the Company.

The Board meeting commenced at 02:00 p.m. (IST) and concluded at 04:30 p.m. (IST)

A copy of the said results together with the Auditor's report is enclosed herewith. These are also being made available on the website of the Company at www.insecticidesindia.com

This is for your information and record.

Thanking You,
Yours Truly

For Insecticides India Limited

Sandeep Kumar
Sandeep Kumar
Company Secretary



Encl : As above

Insecticides (India) Limited

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EXTRACT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER & YEAR ENDED MARCH 31, 2017

SL. No.	Particulars	Quarter Ended		Year Ended	
		31-03-2017	31-12-2016	31-03-2017	31-03-2016
		(Audited)	(Audited)	(Audited)	(Audited)
1	Total Income from Operations (net)	17,597.59	15,905.16	1,10,738.42	98,814.53
2	Net Profit/ (Loss) from Ordinary Activities after tax	595.10	537.99	5,813.81	3,928.55
3	Net Profit/ (Loss) for the period after tax (after Extraordinary items)	595.10	537.99	5,813.81	3,928.55
4	Paid up Equity Share Capital (Face Value of Rs. 10/- each)	2,066.78	2,066.78	2,066.78	2,066.78
5	Reserves (excluding Revaluation Reserve)	-	-	44,635.81	38,822.97
6	Earnings Per Share (before extraordinary items) (Face Value of Rs. 10/- each)				
	Basic	2.88	2.60	28.13	19.01
	Diluted	2.88	2.60	28.13	20.01
7	Earnings Per Share (after extraordinary items) (Face Value of Rs. 10/- each)				
	Basic	2.88	2.60	28.13	19.01
	Diluted	2.88	2.60	28.13	20.01

NOTE:

The above is an extract of the detailed format of Quarterly and Yearly Financial Results filed with the Stock Exchange under Regulation 33 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full Format of the Quarterly/Yearly Financial Results (Consolidated/Standalone) are available on the Stock Exchange websites (www.bseindia.com & www.nseindia.com) and on the Company's website (www.insecticidesindia.com)

Place: Delhi

Date: May 27, 2017



For and on behalf of the Board

Rajesh

Rajesh Aggarwal
Managing Director

DIN : 00576872

Insecticides (India) Limited

CIN: L65991DL1996PLC083909; Regd. Office: 401-402, Lusa Tower, Azadpur Commercial Complex, Delhi - 110 033;

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STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER & YEAR ENDED MARCH 31, 2017

Rs. In Lakhs

Sl.No.	Particulars	Quarter Ended			Year Ended	
		3 months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	Year to date figures for current period ended	Year to date figures for Previous year ended
		31-03-2017 (Audited)	31-12-2016 (Unaudited)	31-03-2016 (Audited)	31-03-2017 (Audited)	31-03-2016 (Audited)
1	Income from Operations					
(a)	Income from Operations (Net of excise duty)	17,597.59	15,905.16	17,810.28	1,10,738.42	98,814.53
(b)	Other Operating Income	-	-	-	-	-
	Net Income from Operations	17,597.59	15,905.16	17,810.28	1,10,738.42	98,814.53
2	Expenses					
(a)	Cost of Materials consumed	13,979.34	7,088.86	13,016.28	62,890.63	59,767.25
(b)	Purchase of stock-in-trade	5,008.02	2,289.97	1,713.95	14,286.19	6,787.37
(c)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(6,964.82)	243.79	(3,726.25)	(2,950.75)	902.54
(d)	Employee benefits expenses	1,015.32	1,106.14	1,157.23	4,334.47	4,006.86
(e)	Depreciation and amortisation expenses	395.97	402.79	395.71	1,595.66	1,592.54
(f)	Other expenses	3,223.45	3,568.16	4,835.88	20,783.52	18,237.40
	Total Expenses	16,657.28	14,699.71	17,392.80	1,00,939.72	91,293.96
3	Profit/(Loss) from operations before other income, finance costs and exceptional items(1-2)	940.31	1,205.45	417.48	9,798.70	7,520.57
4	Other Income	33.30	12.29	40.74	55.00	55.61
5	Profit/ (Loss) from ordinary activities before finance costs and exceptional items (3+4)	973.61	1,217.74	458.22	9,853.70	7,576.18
6	Finance Costs	272.61	465.31	321.14	1,853.80	2,587.83
7	Profit/ (Loss) from ordinary activities after finance costs but before exceptional items(5-6)	701.00	752.43	137.08	7,999.90	4,988.35
8	Exceptional Items	-	-	-	-	-
9	Profit/ (Loss) from ordinary activities before tax (7-8)	701.00	752.43	137.08	7,999.90	4,988.35
10	Tax expense	105.90	214.44	89.52	2,186.09	1,059.80
11	Net Profit/ (Loss) from ordinary activities after tax (9-10)	595.10	537.99	47.56	5,813.81	3,928.55
12	Extraordinary items	-	-	-	-	-
13	Net Profit/ (Loss) for the period(11-12)	595.10	537.99	47.56	5,813.81	3,928.55
14	Share of Profit/(Loss) of associates*	-	-	-	-	-
15	Minority Interest*	-	-	-	-	-
16	Net Profit/(Loss) after taxes, minority interest and share of profit/(Loss) of associates(13+-14+-15)	595.10	537.99	47.56	5,813.81	3,928.55
17	Paid-up equity Share Capital (Face Value Rs. 10/- Per Share)	2,066.78	2,066.78	2,066.78	2,066.78	2,066.78
18	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year				44,635.81	38,822.97
19	Earnings per Share (before extraordinary items) (of Rs.10/- each) (not annualised):					
(a)	Basic	2.88	2.60	0.23	28.13	19.01
(b)	Diluted	2.88	2.60	0.23	28.13	20.01

Notes:

- The above audited financial results for the financial year ended March 31, 2017 and Quarter ended March 31, 2017 were reviewed by the Audit Committee & taken on record by the Board of Directors of the company in their meeting held on May 27, 2017
- The above audited Financial Results for the quarter and financial year ended on March 31, 2017, as submitted to Stock Exchange are also available on our website www.insecticidesindia.com
- Figures pertaining to previous periods have been regrouped, reclassified and restated, wherever necessary, to confirm to the classification adopted in the current period.



For and on behalf of the Board

Rajesh Aggarwal
Managing Director
DIN : 00576872

Place: Delhi
Date: May 27, 2017

SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

Rs. In lakhs

Sl. No.	Particulars	Quarter Ended			Year Ended	
		3 months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	Year to date figures for current period ended	Year to date figures for Previous year ended
		31-03-2017	31-12-2016	31-03-2016	31-03-2017	31-03-2016
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1	Segment Revenue					
	Formulations	12,899.65	14,577.13	12,326.21	96,780.13	85,744.00
	Technical	8,862.45	2,416.53	7,974.95	27,491.34	25,838.00
	Unallocated	-	-	-	-	-
	Total	21,762.10	16,993.66	20,301.16	1,24,271.47	1,11,582.00
	Less: Inter segment Revenue	4,164.51	1,088.66	2,491.16	13,533.05	12,767.00
	Net Sales/Income from Operation	17,597.59	15,905.00	17,810.00	1,10,738.42	98,815.00
2	Segment Results					
	Profit/(Loss) from operations before other					
	Formulations	-	-	-	-	-
	Technical	-	-	-	-	-
	Unallocated	1,006.91	1,229.00	499.00	9,908.70	7,632.00
	Total	1,006.91	1,229.00	499.00	9,908.70	7,632.00
	Less: Interest expenses	272.61	465.00	321.00	1,853.80	2,588.00
	Less: Un-allocated Income	33.30	12.00	41.00	55.00	56.00
	Total (Loss)/Profit before Tax	701.00	752.00	137.00	7,999.90	4,988.00
3	Capital Employed:					
	Segment Assets					
	Formulations	-	-	-	-	-
	Technical	-	-	-	-	-
	Unallocated	1,00,918.36	96,730.00	93,649.00	1,00,918.00	93,649.00
	Total	1,00,918.36	96,730.00	93,649.00	1,00,918.00	93,649.00
	Segment Liabilities					
	Formulations	-	-	-	-	-
	Technical	-	-	-	-	-
	Unallocated	54,215.77	50,621.00	52,759.00	54,215.77	52,759.00
	Total	54,215.77	50,621.00	52,759.00	54,215.77	52,759.00

For and on behalf of the Board



Rajesh Aggarwal
Managing Director
DIN : 00576872

Place : Delhi

Date: May 27, 2017

STATEMENT OF ASSETS AND LIABILITIES			
		Rs. in Lakhs	
Sr. No	Particulars	STANDALONE	
		31-03-2017	31-03-2016
		(Audited)	(Audited)
A	EQUITY AND LIABILITIES		
1	Shareholder's Fund		
	(a) Share capital	2,066.78	2,066.78
	(b) Reserves and surplus	44,635.81	38,822.97
	(c) Money Received against Share Warrant	-	-
	Sub-total-Shareholders' funds	46,702.59	40,889.75
2	Share application money pending allotment	-	-
3	Minority interest *	-	-
4	Non-current liabilities		
	(a) Long-term borrowings	1,528.50	2,804.97
	(b) Deferred tax liabilities (net)	2,025.47	1,755.19
	(c) Other long -term liabilities	572.04	549.68
	(d) Long- term provisions	134.29	138.02
	Sub-total-Non-current liabilities	4,260.30	5,247.86
5	Current liabilities		
	(a) Short-term borrowings	20,631.84	15,197.73
	(b) Trade payables	19,654.20	21,091.11
	(c) Other current liabilities	7,706.24	8,403.70
	(d) Short- term provisions	1,963.19	2,819.23
	Sub-total-Current liabilities	49,955.47	47,511.77
	TOTAL- EQUITY AND LIABILITIES	1,00,918.36	93,649.38
B	ASSETS		
1	Non- current assets		
	(a) Fixed Assets	24,306.78	24,517.11
	(b) Non Current Investments	1,108.54	1,108.54
	(c) Long Term Loans and Advances	212.03	269.52
	(d) Other Non Current Assets	470.61	594.40
	Sub-total-Non-Current assets	26,097.96	26,489.57
2	Current assets		
	(a) Inventories	42,577.67	35,060.38
	(b) Trade receivables	21,463.91	20,763.93
	(c) Cash and Bank Balance	922.03	948.20
	(d) Short-term loans and advances	563.34	455.54
	(e) Other current assests	9,293.45	9,931.76
	Sub-total-Current assets	74,820.40	67,159.81
	TOTAL- ASSETS	1,00,918.36	93,649.38
Place : Delhi Date: May 27, 2017  For and on behalf of the Board <i>Rajesh Aggarwal</i> Rajesh Aggarwal Managing Director DIN : 00576872			



INDEPENDENT AUDITOR'S REPORT

To,
The Members of
INSECTICIDES (INDIA) LTD.

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Insecticides (India) Limited** ("the company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information for the year then ended.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters 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 the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of 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.

Auditor's 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 thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial





statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the standalone 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; of the state of affairs of the Company as at March 31, 2017; and its Profits and its Cash Flows for the year ended on that date.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, , we give in the "Annexure A" a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors as on 31 March, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164(2) of the Act.





- f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
- i. The Company is subject to Legal proceedings and claims, which has arisen in the ordinary course of business. The Company's management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect on the company's results of operations or financial condition (Refer Note No-45).
 - ii. The Company has made provision as at March 31, 2017, 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 during the year by the company.
 - iv. The Company has provided requisite disclosures in the standalone financial statement as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the Company. (Refer Note-54)

FOR MOHIT PAREKH & CO.

Chartered Accountants

Firm Reg. No. 0002067N

Aditi Gupta

(ADITI GUPTA)

Partner

Membership No. 523498

Place: Delhi

Dated: 27th May'2017





ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT

(Referred to in point 1 under the heading "Report on Other Legal & Regulatory Requirements" of our report of even date)

1. In respect of its Fixed Assets:

- a. The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
- b. As explained to us, the Fixed Assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
- c. According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties, as disclosed in Note 12 on fixed assets to the standalone financial statements are held in the name of the company.

2. In respect of its Inventories:

As explained to us, the inventories have been physically verified by the management at regular intervals during the year and in our opinion the frequency of verification is reasonable. Also there was no material discrepancies noticed on physical verification of inventory as compared to the book records.

3. The Company has not granted any loans secured or unsecured to the Companies, Firm (s), Limited liability partnerships or other parties covered in the register maintained u/s 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) of the Companies (Auditor's Report) Order, 2016 (as amended) (the order) is not applicable to the company and hence not commented upon.
4. The company has not given any loans, investments, guarantees, and security under the provisions of section 185 and 186 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iv) of the Companies (Auditor's Report) Order, 2016 (as amended) (the order) is not applicable to the company and hence not commented upon.
5. According to the information and explanations given to us, the Company has not accepted any deposits from its members or from the public during the year under audit within the meaning of section 73 to section 76 or any other relevant provisions of the Companies Act, 2013 & the rules framed there under to the extent notified. Therefore the provisions of clause (v) of paragraph 3 of the Order are not applicable to the Company.





6. We have broadly reviewed the cost records maintained by the Company pursuant to the companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under section 148(1) of the Companies Act 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.

7. In respect of Statutory Dues:

- a. According to the records of the Company apart from certain instances of delay in depositing the undisputed statutory dues, the company has been regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues with the appropriate authorities during the year. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2017 for a period of more than six months from the date of becoming payable.
- b. According to the records of the Company, the disputed statutory dues aggregating to Rs.4,51,55,512/- that have not been deposited on account of disputed matter pending before Appropriate Authorities are as under:

S.No.	Name of the Statute	Nature of Dues	Period to which it relates	Forum where Dispute is Pending	Amount (Rs.)
1.	VAT Act	VAT	2011-12	Joint Commissioner of Commercial Tax, Baroda	5738441
2.	VAT Act	VAT	2012-13	Joint Commissioner of Commercial Tax, Baroda	15981600
3.	CST Act	CST	2012-13	Joint Commissioner of Commercial Tax, Baroda	5106740
4.	Revenue Department	Stamp duty	-	Commissioner of Revenue Department, Tehsil Vagra, District Bharuch	8960000
5.	VAT Act	Penalty	2010-11	Appellate Authority, VAT, West Bengal	570000





6.	VAT Act	Central sales tax	2012-13	Assisstant Commissioner, VAT, Indore	152441
7.	VAT Act	VAT	June 2014 to July 2015	Commercial Tax Officer, Vijaywada	9766290

8. Based on our audit procedures and according to the information and explanation given to us, we are of the opinion that the Company has not defaulted in repayment of loans/borrowings to any financial institutions, banks or government. Further the company does not have any debentures issued/outstanding any time during the year.
9. Based on our audit procedures and according to the information and explanation given to us, the term loans availed by the company were prima facie applied for the purposes for which they were raised. No money was raised by way of initial public offer or further public offer (including debt instruments).
10. According to the information and explanations given to us, no material fraud by the company or on the Company by its officers or employees has been noticed or reported during the year. Accordingly, the provisions of clause 3(x) of the Companies (Auditor's Report) Order, 2016 (as amended) (the order) is not applicable to the company and hence not commented upon.
11. According to the information and explanations given to us and based on our examination of the records of the company, the company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
12. In our opinion and according to the information and explanation given to us, the Company is not a Nidhi Company. Accordingly, the provisions of clause 3(xii) of the Companies (Auditor's Report) Order, 2016 (as amended) (the order) is not applicable to the company and hence not commented upon.
13. According to the information and explanations given to us and based on our examination of the records of the company, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in Note 35 of the Standalone Financial Statements as required by the applicable accounting standard.
14. According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.





15. According to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3(xv) of the Companies (Auditor's Report) Order, 2016 (as amended) (the order) is not applicable to the company and hence not commented upon.
16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause 3(xvi) of the Companies (Auditor's Report) Order, 2016 (as amended) (the order) is not applicable to the company and hence not commented upon.

Place : Delhi
Dated: 27th May, 2017



MOHIT PAREKH & CO.
CHARTERED ACCOUNTANTS

Aditi Gupta
(ADITI GUPTA)

Partner

M.No.- 523498

Firm Regn. No. – 002067N



ANNEXURE B TO INDEPENDENT AUDITOR'S REPORT

(Referred to in point 2(f) under the heading "Report on Other Legal & Regulatory Requirements" of our report of even date)

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

We have audited the internal financial controls over financial reporting of **INSECTICIDES (INDIA) LIMITED** ("the Company") as of March 31, 2017 in conjunction with our audit of standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

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

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





Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants Of India.

MOHIT PAREKH & CO.
CHARTERED ACCOUNTANTS

Place : Delhi
Dated: 27th May, 2017



Aditi Gupta

(ADITI GUPTA)
Partner

M.No.- 523498

Firm Regn. No. – 002067N