PUNJAB CHEMICALS
AND CROP PROTECTION LTD.

Corporate Office :
Oberoi Chambers II, 4th / 5th Floor, 645 / 646, New Link Road, Andheri (W), Mumbai-400053. INDIA.
Tel: 91-22-26747900 Fax : 91-22-26736193/78 E-mail : enquiry@punjabchemicals.com • Website : www.punjabchemicals.com

Date: 25.05.2017

By E-filing

The Manager
Department of Corporate Services
Bombay Stock Exchange Limited
1st Floor, New Trading Wing, P.J Towers
Dalal Street Fort
MUMBAI-400 001

Scrip Code: 506618
Tel No.: 022-22728073

The Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra (East)
MUMBAI-400 051
Scrip Symbol: PUNJABCHEM
Tel No.: 022-26598235/26598458

Sub: **Audited Financial Results of the Company for the year ended March 31, 2017 pursuant to Regulation 33 (3)(d) of SEBI (LODR) Regulations, 2015.**

Dear Sirs

This is to inform you that at the Meeting of the Board of Directors of the Company held on Thursday, the 25th May, 2017, the Board considered and approved the Audited Financial Statements of the Company on Standalone and Consolidated basis for the year ended 31st March 2017 which were earlier reviewed by the Audit Committee.

Pursuant to the requirements of Regulation 33 (3)(d) of the SEBI (LODR) Regulations, 2015, enclosed as the following:

1. Audited Standalone Financial Results for the year ended 31st March, 2017 along with the Statement of Assets and Liabilities as on 31st March, 2017, Auditors' Report thereon.

It is noted that there is no qualification in the auditor's report. Therefore, there is no impact on the standalone financial results of the Company.

PUNJAB CHEMICALS & CROP PROTECTION LTD. MUMBAI

2. Audited Consolidated Financial Results for the year ended 31st March, 2017 along with the Statement of Assets and Liabilities as on 31st March, 2017, Auditors' Report thereon.

   It is noted that there is a qualification in the Audit Report of Consolidated Financial Results. Therefore, statement on Impact of Audit Qualifications by the listed entities under Regulation 33/52 of SEBI (LODR), (Amendment) Regulations, 2016 is attached as Annexure 1.

3. The Board of Directors has decided to hold the next Annual General Meeting of the Company on 14th September, 2017.

4. The Register of Members and Share Transfer Books of the Company will be closed from 5th September, 2017 to 14th September, 2017 (both days inclusive) for annual closing.

The Board Meeting commenced at 11.00 A.M (IST) and concluded at 4.30 p.m.

Kindly take the same on your record and inform all your constituents accordingly.

Thanking you,

Yours faithfully
For **PUNJAB CHEMICALS AND CROP PROTECTION LIMITED**

PUNJAB CHEMICALS & CROP PROTECTION LTD. MUMBAI

(CS PUNIT K ABROL)
SR. V.P. (FINANCE) & SECRETARY
Encl: A/a.

PUNJAB CHEMICALS AND CROP PROTECTION LIMITED

Regd. Office: SCO: 183, Sector-26, Madhya Marg, Chandigarh-160 019.
Tel. : 0172-5008300-8301 Fax: 0172-2790160
CIN: L24231CH1975PLC003603
Email : info@punjabchemicals.com Website: www.punjabchemicals.com

ANNEXURE-1

PART I

Statement of Results for the Quarter and Year Ended 31 March 2017

Rs. in lacs

	Particulars	Standalone					Consolidated	
		Quarter Ended			Year Ended		Year Ended	
		31 March 2017	31 December 2016	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016
		Audited (Refer Note-2)	Unaudited	Audited (Refer Note-2)	Audited	Audited	Audited	Audited
1	**Income from operations**							
	(a) Net Sales/Income from Operations (Net of excise duty)	11,252	10,877	8,688	39,384	34,426	50,764	52,505
	(b) Other Operating Income	483	423	78	1,727	1,297	1,727	1,297
	Total Income from Operations (net)	**11,735**	**11,300**	**8,766**	**41,111**	**35,723**	**52,491**	**53,802**
2	**Expenses**							
	(a) Cost of materials consumed	7,062	6,511	4,492	23,837	19,950	26,738	26,853
	(b) Purchase of stock-in-trade	214	28	49	242	49	578	61
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(459)	350	311	(385)	168	(204)	(127)
	(d) Employee benefits expense	1,246	1,240	1,035	4,836	4,403	11,460	11,955
	(e) Power & fuel expense	878	827	647	3,469	3,301	3,714	
	(f) Depreciation and amortisation expense	351	369	356	1,431	1,544	1,606	1,675
	(g) Provision for diminution in the value of investment (Refer Note-5)	2,236	-	-	2,236	-	-	-
	(h) Other expenses	2,433	1,471	1,150	5,969	5,288	8,250	10,991
	Total expenses	**13,961**	**10,796**	**8,040**	**41,635**	**34,703**	**52,142**	**51,408**
3	**Profit/(Loss) from operations before other income, finance cost and exceptional items (1-2)**	**(2,226)**	**504**	**726**	**(524)**	**1,020**	**349**	**2,394**
4	Other Income (Refer Note-5)	2,243	60	301	2,544	1,252	736	1,602
5	**Profit from ordinary activities before finance costs and exceptional items (3+4)**	**17**	**564**	**1,027**	**2,020**	**2,272**	**1,085**	**3,996**
6	Finance Costs	429	440	502	1,807	2,147	2,701	4,966
7	**Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6)**	**(412)**	**124**	**525**	**213**	**125**	**(1,616)**	**(970)**
8	Exceptional Items (net)	-	-	-	-	3,446	-	2,352
9	**Profit/(Loss) from ordinary activities before tax (7-8)**	**(412)**	**124**	**525**	**213**	**3,571**	**(1,616)**	**1,382**
10	Tax expense							
	Current tax	(125)	25	122	-	122	(46)	167
	Mat credit entitlement	115	(23)	(113)	-	(113)		(113)
11	**Net profit /(Loss) from ordinary activities after tax (9-10)**	**(402)**	**122**	**516**	**213**	**3,562**	**(1,570)**	**1,328**
12	Paid-up equity share capital (Face value of Rs. 10 each fully paid up)	1,226	1,226	1,226	1,226	1,226	1,226	1,226
13	Reserves excluding Revaluation Reserves as per the balance sheet of the previous accounting year				4,248	691	(460)	(4,690)
14	Basic and diluted earning per share (Face value of Rs. 10 each) - Basic and Diluted (in Rs.) (not annualised)	(3.28)	1.00	4.21	1.74	29.05	(12.80)	10.83
	See accompanying notes to the financial results							

PUNJAB CHEMICALS & CROP PROTECTION LIMITED MUMBAI

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MUMBAI

PUNJAB CHEMICALS AND CROP PROTECTION LIMITED

SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

Rs. in lacs

	Particulars	Standalone					Consolidated	
		Quarter Ended			Year Ended		Year Ended	
		31 March 2017	31 December 2016	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016
		Audited (Refer Note-2)	Unaudited	Audited (Refer Note-2)	Audited	Audited	Audited	Audited
1	**Segment Revenue**							
	i) Chemicals	10,000	9,497	7,239	34,543	30,399	45,923	48,478
	ii) Bulk Drug & Intermediates	1,735	1,803	1,581	6,568	5,519	6,568	5,519
		11,735	11,300	8,820	41,111	35,918	52,491	53,997
	Less							
	iii) Inter Segment Revenue	-	-	54	-	195	-	195
	Net Sales/Income from Operations	**11,735**	**11,300**	**8,766**	**41,111**	**35,723**	**52,491**	**53,802**
2	**Segment Results**							
	Profit / (Loss) before finance costs, exceptional items and tax							
	i) Chemicals	112	658	955	2,363	2,709	1,428	4,433
	ii) Bulk Drug & Intermediates	(63)	(69)	75	(241)	(414)	(241)	(414)
	Total	**49**	**589**	**1,030**	**2,122**	**2,295**	**1,187**	**4,019**
	Less:							
	i) Interest & Other Finance Charges	429	440	502	1,807	2,147	2,701	4,966
	ii) Exceptional Items (Income) / Expenses	-	-	-	-	(3,446)	-	(2,352)
	iii) Other Unallocable Expenditure net of (Unallocable Income)	32	25	3	102	23	102	23
	Net profit/(loss) before tax	**(412)**	**124**	**525**	**213**	**3,571**	**(1,616)**	**1,382**
C.	**Capital Employed**							
	(Segment Assets minus Segment Liabilities)							
	i) Segment Assets							
	Chemicals	24,503	25,208	25,375	24,503	25,375	33,072	35,437
	Bulk Drug & Intermediates	8,560	8,585	7,983	8,560	7,983	8,560	7,983
	Unallocable Assets	1,790	2,792	2,559	1,790	2,559	1,224	2,324
	Total Segment Assets	**34,853**	**36,585**	**35,917**	**34,853**	**35,917**	**42,856**	**45,744**
	ii) Segment Liabilities							
	Chemicals	11,640	12,213	10,886	11,640	10,886	19,603	17,374
	Bulk Drug & Intermediates	2,186	2,093	2,086	2,186	2,086	2,186	2,086
	Unallocable Liabilities	15,362	16,194	17,471	15,362	17,471	16,889	20,160
	Total Segment Liabilities	**29,188**	**30,500**	**30,443**	**29,188**	**30,443**	**38,678**	**39,620**
	Total Capital Employed	**5,665**	**6,085**	**5,474**	**5,665**	**5,474**	**4,178**	**6,124**

Note :

The capital employed of the respective segments is worked out after considering the operating assets and liabilities that are directly attributable to the segments as well as allocated to the segments on a reasonable basis.

For Punjab Chemicals and Crop Protection Limited

PUNJAB CHEMICALS & CROP PROTECTION LTD. MUMBAI

SHALIL SHROFF
MANAGING DIRECTOR

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SRBC & CO LLP
MUMBAI

PUNJAB CHEMICALS AND CROP PROTECTION LIMITED
STATEMENT OF ASSETS AND LIABILITIES

Rs. in lacs

	STANDALONE		CONSOLIDATED	
	As at 31 March 2017	As at 31 March 2016	As at 31 March 2017	As at 31 March 2016
	Audited	Audited	Audited	Audited
A. EQUITY AND LIABILITIES				
1. Shareholders' Funds				
(a) Share Capital	1,226	1,226	1,226	1,226
(b) Reserves and Surplus	4,439	4,248	2,952	4,898
Sub-total - Shareholders' Funds	**5,665**	**5,474**	**4,178**	**6,124**
2. Non-Current Liabilities				
(a) Long-term Borrowings	6,165	9,854	6,871	10,633
(b) Trade payable	-	-	1,955	2,709
(c) Other Liabilities	-	-	1,787	2,147
(d) Long-term Provisions	1,108	1,056	1,108	1,056
Sub-total - Non-Current Liabilities	**7,273**	**10,910**	**11,721**	**16,545**
3. Current liabilities				
(a) Short-term Borrowings	4,983	4,963	5,018	4,998
(b) Trade Payables	7,840	5,565	9,044	5,590
(c) Other Current Liabilities	7,909	8,021	11,017	10,833
(d) Short-term Provisions	1,183	984	1,876	1,654
Sub-total - Current Liabilities	**21,915**	**19,533**	**26,955**	**23,075**
TOTAL - EQUITY AND LIABILITIES	**34,853**	**35,917**	**42,854**	**45,744**
B. ASSETS				
1. Non-Current Assets				
(a) Fixed Assets (including Capital Work In Progress)	17,523	17,924	23,046	23,847
(b) Non-Current Investments (refer Note-5)	623	348	20	20
(c) Long-term Loans and Advances	2,650	3,221	2,800	3,426
(d) Other non-current assets	175	176	176	176
	20,971	**21,669**	**26,042**	**27,469**
2. Current Assets				
(a) Investment	3	3	3	3
(b) Inventories	5,496	4,507	6,426	5,743
(c) Trade Receivables (refer Note 5)	4,787	5,555	6,343	7,609
(d) Cash, Cash equivalents and Other Bank Balances	229	187	290	608
(e) Short-term Loans and Advances	2,653	2,071	2,723	2,087
(f) Other Current Assets	714	1,925	1,027	2,225
Sub-total - Current Assets	**13,882**	**14,248**	**16,812**	**18,275**
TOTAL ASSETS	**34,853**	**35,917**	**42,854**	**45,744**

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PUNJAB CHEMICALS & CROP PROTECTION LTD. MUMBAI

PUNJAB CHEMICALS & CROP PROTECTION LIMITED

Notes:

1. The above audited financial results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on May 25, 2017.

2. The figures for the quarter ended March 31, 2016 and March 31, 2017 are the balancing figures between the audited figures in respect of full financial year and the year to date figures upto the 3rd quarter for the respective years.

3. The Companies (Indian Accounting Standards) Rule, 2015 (Ind-AS) would be applicable to the Company from the financial year commencing on April 1, 2017. Accordingly, the above financial results have been prepared in compliance with Accounting Standards specified under Section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016.

4. a) The Auditors of Sintesis Quimica SAIC (SQ) wholly owned step down subsidiary of the Company have issued an adverse audit opinion stating that the subsidiary company's accounts have been prepared on going concern basis instead of liquidation basis. The same qualification also appears in the consolidated Auditors Report of the Company. Impact of the same on financial results and net worth is not ascertainable. (also refer para 3 and 4 of Auditor's Report on Consolidated Year to Date Results of the Company issued pursuant to the Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

   b) Sintesis Quimica, S.A.I.C Argentina, step down subsidiary of the Company is continuing its business operations as at March 31, 2017. Further, the Company is negotiating with a potential buyer for divesting the said subsidiary and it is in the process of seeking approval of the same from members of the Company through Postal Ballot.

5. The financial results for the quarter and year ended March 31, 2017 include accounting adjustments on account of capitalization of overdue trade receivable from S D Agchem (Europe) NV, an overseas subsidiary as an investment in equity share capital of the same company. This is in accordance with approval from Reserve Bank of India. This has consequential impact on provisions for diminution in value of investments and trade receivables write back during the quarter and year ended March 31, 2017.

6. The figures for the previous periods/ years have been regrouped / reclassified wherever necessary.

For and on behalf of the Board of Directors

PUNJAB CHEMICALS & CROP PROTECTION LTD. MUMBAI

SHALIL SHROFF
MANAGING DIRECTOR
(DIN: 00015621)

Date: May 25, 2017

SIGNED FOR IDENTIFICATION BY
S R B C & CO LLP
MUMBAI

S R B C & CO LLP
Chartered Accountants

14th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (West)
Mumbai-400 028, India
Tel : +91 22 6192 0000
Fax : +91 22 6192 1000

Auditor's Report On Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
Board of Directors of
Punjab Chemicals and Crop Protection Limited

1. We have audited the accompanying statement of quarterly standalone financial results of Punjab Chemicals and Crop Protection Limited ('the Company') for the quarter ended March 31, 2017 and for the year ended March 31, 2017, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The quarterly standalone financial results are the derived figures between the audited figures in respect of the year ended March 31, 2017 and the published year-to-date figures up to December 31, 2016, being the date of the end of the third quarter of the current financial year, which were subject to limited review. The standalone financial results for the quarter ended March 31, 2017 and year ended March 31, 2017 have been prepared on the basis of the standalone financial results for the nine-month period ended December 31, 2016, the audited annual standalone financial statements as at and for the year ended March 31, 2017, and the relevant requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which are the responsibility of the Company's management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these standalone financial results based on our review of the standalone financial results for the nine-month period ended December 31, 2016 which was prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25 Interim Financial Reporting, specified under Section 133 of the Companies Act 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India; our audit of the annual standalone financial statements as at and for the year ended March 31, 2017; and the relevant requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

3. In our opinion and to the best of our information and according to the explanations given to us, these quarterly standalone financial results as well as the year to date results:

   i. are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
   ii. give a true and fair view of the net loss and other financial information for the quarter ended March 31, 2017 and net profit for the year ended March 31, 2017.

4. Further, read with paragraph 1 above, we report that the figures for the quarter ended March 31, 2017 represent the derived figures between the audited figures in respect of the financial year ended March 31, 2017 and the published year-to-date figures up to December 31, 2016, being the date of the end of the third quarter of the current financial year, which were subjected to a limited review as stated in paragraph 1 above, as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For S R B C & CO. LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Ravi Bansal
Partner
Membership No.: 49365

Place of Signature: Mumbai
Date: May 25, 2017

S R B C & CO LLP
Chartered Accountants

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Auditor's Report on Consolidated Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
Board of Directors of
Punjab Chemicals and Crop Protection Limited,

1. We have audited the accompanying statement of consolidated financial results of Punjab Chemicals and Crop Protection Limited ('the Company') comprising its subsidiaries (together, 'the Group'), and it's jointly controlled entity for the year ended March 31, 2017, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The consolidated financial results for the year ended March 31, 2017 have been prepared on the basis of the audited annual consolidated financial statements as at and for the year ended March 31, 2017, and the relevant requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are the responsibility of the Company's management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these consolidated financial results based on our audit of the annual consolidated financial statements as at and for the year ended March 31, 2017 which were prepared in accordance with applicable accounting standards and other accounting principles generally accepted in India and the relevant requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

3. In case of Sintesis Quimica S.A.I.C, a subsidiary of the Holding Company not audited by us, the other auditor have issued adverse audit opinion indicating that the financial statements of the said subsidiary have been prepared on considering the fundamental assumption of going concern which doesn't hold good, and the financial statements should have been prepared at their net realisable value and which is reproduced as under:

   "In our opinion, the Financial Statements referred to in paragraph 1.1 reasonably present in all material respects the information of Sintesis Quimica S.A.I.C's Financial Position as of March 31, 2017, in accordance with Argentine GAAP, if the Company is considered to be going concern. However there are substantial doubts about the ability of the Company to continue its operations and business viability. The Financial statements referred to in paragraph 1.1 does not include the adjustments in assets and liabilities to value them at their net realisable value, as would correspond if the Company enter in a state of compulsory liquidation."

   The operations and financial affairs of Sintesis Quimica S.A.I.C are material and having a pervasive effect on the Company's consolidated financial results as at and for the year ended March 31, 2017. In our opinion the assets and liabilities should have been consolidated at net realisable values and accordingly assets and liabilities of Sintesis Quimica S.A.I.C are overstated at Rs. 12,160 lacs and Rs. 12,236 lacs respectively. However we are informed by the management that such final net realisable values are yet to be determined at this stage.

S R B C & CO LLP ★ CHARTERED ACCOUNTANTS ★ MUMBAI

4. In our opinion and to the best of our information and according to the explanations given to us, these year to date consolidated financial results:

   i. includes the results of the following entities:
      a. Punjab Chemicals and Crop Protection Limited
      b. SD Agchem (Europe) NV
      c. Sintesis Quimica S.A.I.C
      d. STS Chemicals Limited (UK)
      e. Stellar Marine Paints Limited; (upto November 11, 2016)

   ii. are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in this regard; and

   iii. Because of significance of the matter in the basis for adverse opinion as mentioned in para 3 above, the consolidated financial results do not give the information in the manner so required and do not give a true and fair view of the consolidated net loss and other financial information for the consolidated year to date results for the year ended March 31, 2017.

5. We did not audit the financial statements and other financial information, in respect of three subsidiaries and a jointly controlled entity whose financial statements include total assets of Rs. 12,348 lacs and net assets of Rs. (1,869) lacs as at March 31, 2017 and total revenues of Rs. 11,727 lacs for the year then ended on that date and net cash inflows of Rs.62 lacs for the year ended on that date, included in accompanying consolidated financial results in respect of three subsidiaries (collectively, "the Components"), whose financial statements and other information for the year ended on that date have been audited by other auditors whose reports have been furnished to us. Further we did not audit total assets of Rs. 0.05 lacs and total revenues of Rs. NIL, included in accompanying consolidated financial results in respect of one jointly controlled entity, whose financial statements and other information have not been audited. The audited financial statements, other financial information and auditor's reports have been furnished to us by the holding Company's management. All of three subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors who have submitted their audit reports, prepared under generally accepted auditing standards applicable in their respective countries, to shareholders/Board of Directors of these subsidiaries. The management of Holding Company has converted these audited financial statements and other financial information of the entities located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We audited the adjustments, which were applied to prepare the consolidated financial statements, made by the Company's management to convert the financial statements of these subsidiaries from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India.

For S R B C & CO. LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Ravi Bansal
Partner
Membership No.: 49365
Place of Signature: Mumbai
Date: May 25, 2017

Annexure 1

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Consolidated Audited Financial Results

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2017 [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I	Sl No.	Particulars	Audited Figures (as reported before adjusting for qualifications) (Rs. in lacs)	Adjusted Figures (audited figures after adjusting for qualifications) (Rs. in lacs)
	1.	Turnover / Total income	53,227	Impact of qualification is not determinable at this stage
	2.	Total Expenditure	54,797	
	3.	Net Profit/(Loss)	(1,570)	
	4.	Earnings Per Share	(12.80)	
	5.	Total Assets	42,854	
	6.	Total Liabilities	38,676	
	7.	Net Worth	4,178	
	8.	Any other financial item(s) (as felt appropriate by the management)	None	
II	**Audit Qualification (each audit qualification separately):**			
	a) Details of Audit Qualification: The Statutory Auditors have provided the following qualification in their annual report: **Basis of Adverse Opinion** In case of Sintesis Quimica S.A.I.C, a subsidiary of the Holding Company not audited by us, the other auditor have issued adverse audit opinion indicating that the financial statements of the said subsidiary have been prepared on considering the fundamental			

PUNJAB CHEMICALS & CROP PROTECTION LTD. MUMBAI

assumption of going concern which doesn't hold good, and the financial statements should have been prepared at their net realisable value and which is reproduced as under:

"In our opinion, the Financial Statements referred to in paragraph 1.1 reasonably present in all material respects the information of Sintesis Quimica S.A.I.C's financial position as of March 31, 2017, in accordance with Argentine GAAP, if the Company is considered to be going concern. However there are substantial doubts about the ability of the Company to continue its operations and business viability. The Financial statements referred to in paragraph 1.1 does not include the adjustments in assets and liabilities to value them at their net realisable value, as would correspond if the Company enter in a state of compulsory liquidation."

The operations and financial affairs of Sintesis Quimica S.A.I.C are material and having a pervasive effect on the Company's consolidated financial statements as at and for the year ended March 31, 2017. In our opinion the assets and liabilities should have been consolidated at net realisable values and accordingly assets and liabilities of Sintesis Quimica S.A.I.C are overstated at Rs. 12,160 lacs and Rs. 12,236 lacs respectively. However we are informed by the management that such final net realisable values are yet to be determined at this stage.

Adverse Opinion

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion paragraph, the consolidated financial statements do not give a true and fair view in conformity with the accounting principles generally accepted in India:

(a) in case of the consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2017
(b) in the case of consolidated statement of profit and loss account, of the loss for the year ended on that date; and
(c) in the case of consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

b) Type of Audit Qualification : [Qualified Opinion / Disclaimer of Opinion / Adverse Opinion]
Adverse Opinion

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	c) **Frequency of qualification: [Whether appeared first time / repetitive / since how long continuing]** This is the first financial year in which the above mentioned qualification is appearing.
	d) **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:** Not Applicable
	e) **For Audit Qualification(s) where the impact is not quantified by the auditor:**
	i) **Management's estimation on the impact of audit qualification:** With regard to qualification by the Auditors in their Audit Report on the Consolidated financial statement, Sintesis Quimica, S.A.I.C Argentina, step down subsidiary is continuing its business operations as at March 31, 2017. Further the Company is negotiating with the potential buyer for divesting the said subsidiary and it is in the process of seeking approval from members of the Company through Postal Ballot. At this stage the impact of overstatement of assets and liabilities are not determinable.
	ii) **If management is unable to estimate the impact, reasons for the same:** The amount is not determinable at this stage.
	iii) **Auditors' Comments on (i) or (ii) above:** Our adverse opinion in the consolidated financial results of the Company is carried from the auditors' report of the subsidiary company not audited by us. As informed to us by the management of the Company, the overstatement of assets and liabilities are yet to be determined at this stage. Please refer our audit report dated May 25, 2017. Consequently, we are unable to comment on the impact of such qualification on the consolidated financial statements of the Company.

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III	**Signatories**	
	Shri Shalil Shroff, Managing Director (DIN: 00015621)	
	Shri Vipul Joshi, Chief Financial Officer	
	Shri Vijay Rai, Audit Committee Chairman	
	Statutory Auditors **Mr. Ravi Bansal** **Partner** **Membership Number: 49365** **For S R B C & Co. LLP** **Chartered Accountants** **ICAI Firm Registration Number: 324982E/E 300003**	

Place: Mumbai

Date: 25th May, 2017