

INDEPENDENT AUDITOR'S REPORT

To The Members of PARRY CHEMICALS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **PARRY CHEMICALS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, 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 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 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 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.

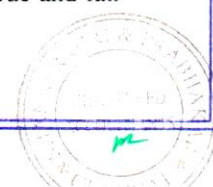
We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material 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 judgment, 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 March 31, 2016;
- (b) in the case of Statement of Profit and Loss, of the Profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements


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

1. As required by the Companies (Auditor's Report) Order 2016 (Order) issued by the Central Government in terms of Section 143 (11) of the Act, we give in the annexure a statement on the matters specified in paragraphs 3 and 4.

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.
- (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 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 the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (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 does not have any pending litigations except those mentioned in Note No.16(5) of the financial statements which would impact its financial position.
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Shanker Giri & Prabhakar
Chartered Accountants
FRN: 003761S


P. Prabhakar Rao
Partner
Membership No. : 18408



Place: Chennai

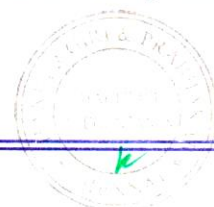
Date: 18/04/2016

The Annexure referred to in paragraph 1 of the Our Report of even date to the members of PARRY CHEMICALS LIMITED on the accounts of the company for the year ended 31st March, 2016.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

- i. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
- ii. The Company does not have any inventories and hence Clause 3(ii) of the Order is not applicable.
- iii. The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act.
- iv. The Company has not given any loans, guarantees or security or acquired any investments and hence the applicability of provisions of Section 185 and 186 of the Companies Act, 2013 does not arise.
- v. The company has not accepted any deposits during the year. Hence Clause 3(v) of the Order is not applicable.
- vi. The Company being a Service Company, Clause 3(vi) of the Order relating to maintenance of cost records is not applicable.
- vii. (a) According to the information and explanations given to us, and records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues as applicable, with the appropriate authorities. There are no arrears of undisputed statutory dues outstanding as at 31st March 2016 for a period of more than six months from the date they become payable.

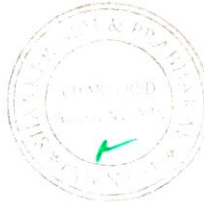
(b) According to the information and explanations given to us, and the records of the Company examined by us, there are no dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of any dispute.
- viii. The Company has not borrowed any amounts from any financial institution, bank or debenture holders..
- ix. The Company has not raised by way of initial public offer or further public offer (including debt instruments) and term loans.
- x. During the course of our examination of the Books and Records of the Company carried out in accordance with the Generally Accepted Auditing Practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company noticed or reported during the year nor have we been informed of such case by the Management.



- xi. The Company has not paid any managerial remuneration during the year except Sitting fees paid to Independent Directors which are in compliance with the provisions of Section 197 of the Companies Act, 2013.
- xii. The provisions of clause (xii) are not applicable to the company as it is not a Nidhi Company.
- xiii. According to the information and explanations given to us, the company has complied with section 177 and 188 of the Act wherever applicable and has disclosed the transactions with related parties as required by the applicable accounting standards
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under Section 42 of the Act.
- xv. 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 them.
- xvi. According to the information and explanations given to us, the Company is not required to be registered under section 45- IA of the Reserve Bank of India Act, 1934.

Place: Chennai

Date: 18/04/2016



For Shanker Giri & Prabhakar
Chartered Accountants
FRN: 003761S

P. Prabhakar Rao

P. Prabhakar Rao
Partner

Membership No. : 18408

ANNEXURE 'A'

**ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE
STANDALONE FINANCIAL STATEMENTS OF PARRY CHEMICALS LIMITED**

**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 PARRY CHEMICALS LIMITED ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The 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". 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for my /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 control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that :

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In my / 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, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Shanker Giri & Prabhakar
Chartered Accountants
Firm's Registration No.03761S

P. Prabhakar Rao

P. Prabhakar Rao
Partner
Membership No.18408
Place: Chennai
Date: 18/04/2016



PARRY CHEMICALS LIMITED

BALANCE SHEET AS AT 31ST MARCH 2016


	Note No.	<u>As at 31st Mar 2016</u>		<u>As at 31st Mar 2015</u>	
		Rs	Rs	Rs	Rs
I EQUITY AND LIABILITIES:					
(1) Shareholder'S Funds					
(a) Share Capital	1	10,00,00,000		10,00,00,000	
(b) Reserves & Surplus	2	5,58,79,562		5,09,90,235	
			15,58,79,562		15,09,90,235
(2) Non-Current Liabilities					
(a) Other Long-term Liabilities	3	5,34,171		16,15,656	
			5,34,171		16,15,656
(3) Current liabilities					
(a) Trade Payables	4	1,04,500		1,18,078	
(b) Other Current Liabilities	5	1,04,217		87,654	
			2,08,717		2,05,732
TOTAL			15,66,22,450		15,28,11,623
II ASSETS:					
(1) Non-Current Assets					
(a) Fixed Assets					
(i) Tangible Assets	6	4,18,83,391		4,26,99,841	
(b) Long-term Loans and Advances	7	19,63,754		31,08,423	
			4,38,47,145		4,58,08,264
(2) Current assets					
(a) Cash and Cash Equivalents	8	9,45,63,208		8,58,98,653	
(b) Short-term Loans and Advances	9	1,76,99,471		1,93,51,927	
(c) Other Current Assets	10	5,12,626		17,52,779	
			11,27,75,305		10,70,03,359
TOTAL			15,66,22,450		15,28,11,623

Accompanying Notes to Financial Statements 15

On behalf of the Board



G.VEERABHADRAM
CHAIRMAN


S.SANKARASUBRAMANIAN
DIRECTOR


PLACE : SECUNDERABAD:
DATE : 18/04/2016



S.RAJKANNAN
CHIEF FINANCIAL OFFICER


COMPANY SECRETARY

This is the Balance Sheet
referred to in our Report of even date.
For **SHANKER GIRI & PRABHAKAR**
CHARTERED ACCOUNTANTS


P. PRABHAKAR RAO
Partner

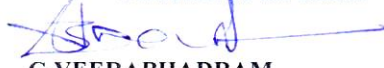
PARRY CHEMICALS LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH 2016

	<u>Note No.</u>	<u>For the Year Ended 31st March 2016</u>	<u>For the Year Ended 31st March 2015</u>
		Rs	Rs
I Revenue from operations	11	30,85,319	33,14,722
II Other Income	12	90,22,872	78,67,927
III Total Revenue		<u>1,21,08,191</u>	<u>1,11,82,649</u>
IV Expenses			
(a) Finance Cost	13	-	52,600
(b) Depreciation Amortization Expense		8,16,450	8,16,450
(c) Other Expenses	14	38,50,745	10,84,524
Total Expenses		<u>46,67,195</u>	<u>19,53,574</u>
V Profit before tax		74,40,996	92,29,075
VI Tax Expense			
(a) Current Tax		14,18,000	17,58,600
(b) MAT Credit Entitlement		-	-
(c) MAT Credit Utilised		<u>11,33,669</u>	<u>13,78,286</u>
Total		25,51,669	31,36,886
VII Profit After Tax		<u>48,89,327</u>	<u>60,92,189</u>
VIII Earnings per equity share			
Basic - Rs.		0.49	0.61
Diluted - Rs.		0.49	0.61

Accompanying Notes to Financial Statements 15

On behalf of the Board


G.VEERABHADRAM
CHAIRMAN


S.SANKARASUBRAMANIAN
DIRECTOR


S.RAJKANNAN
CHIEF FINANCIAL OFFICER


P. PRABHAKAR RAO
Partner

This is the Profit and Loss Account
referred to in our Report of even date.
For SHANKER GIRI & PRABHAKAR
CHARTERED ACCOUNTANTS

PLACE : SECUNDERABAD:
DATE : 18/04/2016



P. PRABHAKAR RAO
Partner

PARRY CHEMICALS LIMITED
STATEMENT OF CHANGES IN EQUITY

PARTICULARS	Share Capital	Profit and Loss Account	Total Equity Attributable to Equity Holders of the Company
	Rs.	Rs.	Rs.
2015-16			
a. Balance as on April 1, 2015	10,00,00,000	5,09,90,235	15,09,90,235
b. Net Profit for the year	-	48,89,327	48,89,327
c. Balance as on March 31, 2016	10,00,00,000	5,58,79,562	15,58,79,562
2014-2015			
a. Balance as on April 1, 2014	10,00,00,000	4,48,98,046	14,48,98,046
b. Net Profit for the year	-	60,92,189	60,92,189
c. Balance as on March 31, 2015	10,00,00,000	5,09,90,235	15,09,90,235

On behalf of the Board



G.VEERABHADRAM
CHAIRMAN


S.SANKARASUBRAMANIAN
DIRECTOR



S.RAJKANNAN
CHIEF FINANCIAL OFFICER


P. PRABHAKAR
COMPANY SECRETARY

For **SHANKER GIRI & PRABAKHAR**
Chartered Accountants


P. PRABAKHAR RAO
Partner

PLACE: SECUNDERABAD

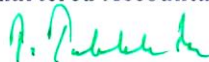
DATE: 18/04/2016


PARRY CHEMICALS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016

	2015-16		2014-15	
	Rs.	Rs.	Rs.	Rs.
A. Cash Flow From Operating Activities				
Net Profit before tax		74,40,996		92,29,075
Adjustments for:				
Interest received	(72,00,940)		(76,27,927)	
Depreciation	8,16,450		8,16,450	
Interest expense (Net)	-		52,600	
Profit on sale of investment	-	(63,84,490)	-	(67,58,877)
Operating Profit before Working Capital Changes		10,56,506		24,70,198
Adjustments for-				
(Increase)/Decrease in Inventories	-		-	
(Increase)/Decrease in Debtors	-		-	
(Increase)/Decrease in Loans & Advances	34,56,014		(80,97,869)	
Increase/(Decrease) in Long Term Liabilities	(10,81,485)		33,600	
Increase/(Decrease) in Current Liabilities	2,984	23,77,513	26,762	(80,37,507)
Cash generated from Operating Activities		34,34,019		(55,67,309)
Interest Received	72,00,940		76,27,927	
Direct Taxes Refund Received	-		-	
Direct Taxes paid	(19,70,405)	52,30,535	(64,99,599)	11,28,328
Net Cash Flow from Operating Activities		86,64,554		(44,38,981)
B. Cash Flow From Investing Activities				
Amount Realised on Sale of Investments	-			
Investments made	-	-	-	-
C. Cash Flow From Financing Activities				
Proceeds from issue of Share Capital	-		-	
Interest paid	-	-	(52,600)	(52,600)
Net Increase / Decrease in Cash & Cash Equivalent		86,64,554		(44,91,581)
Cash & Cash Equivalent at Commencement of the Year-Cash and bank balances		8,58,98,654		9,03,90,235
Cash & Cash Equivalent at end of the Year - Cash & Bank balances		9,45,63,208		8,58,98,654

Per our report attached
For SHANKER GIRI & PRABHAKAR
Chartered Accountants


P. PRABHAKAR RAO
Partner


S. SANKARASUBRAMANIAN
Director


S. RAJKANNAN
Chief Financial Officer

On behalf of the Board


G. VEERABHADRAM
Chairman


Company Secretary

Place : Secunderabad

Date : 18/04/2016



PARRY CHEMICALS LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

AS AT
31/03/2016
Rs

AS AT
31/03/2015
Rs

Note 1

Share Capital

<i>Authorised</i>		
1,00,00,000 Equity Shares of Rs.10 each	10,00,00,000	10,00,00,000
<i>Issued Subscribed and Paid up</i>		
1,00,00,000 Equity Shares of Rs.10 each	10,00,00,000	10,00,00,000
	10,00,00,000	10,00,00,000

1 Shareholders holding more than 5% of the Shares

Name of the Shareholder	No. of Shares	No. of Shares
Coromandel International Limited	1,00,00,000	1,00,00,000

2 Shares held by the Holding Company

Name of the Shareholder	2015-16		2014-15	
	No. of Shares	%	No. of Shares	%
Coromandel International Limited	1,00,00,000	100	1,00,00,000	100

3 Reconciliation of number of shares

	2015-16		2014-15	
	No. of Shares	Rs	No. of Shares	Rs
Balance as at the beginning of the year	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000
Issued and paid up during the year				
Balance as at end of the year	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000

4 Rights, preferences and restrictions attached to equity shares

Equity Shares of the Company having par value of Rs.10/= per share rank pari pasu in all respects including voting rights and entitlement to dividend.

Note 2

Reserves & Surplus

Surplus in Profit and Loss Statement		
As Per last Balance Sheet	5,09,90,235	4,48,98,046
Add : Net Profit / (Loss) after tax for the year	<u>48,89,327</u>	<u>60,92,189</u>
	<u>5,58,79,562</u>	<u>5,09,90,235</u>

Note 3

Long-Term Liabilities

Security and Trade Deposits	1,00,000	16,15,656
Dues to Holding Company	4,34,171	-
	<u>5,34,171</u>	<u>16,15,656</u>

Note 4

Trade payables

Sundry Creditors	1,04,500	1,18,078
For Expenses	<u>1,04,500</u>	<u>1,18,078</u>



PARRY CHEMICALS LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

	AS AT 31/03/2016 Rs	AS AT 31/03/2015 Rs
Note 5		
Other Current Liabilities		
Advances from Customers	-	60,658
Other Payables (Statutory Dues)	1,04,217	26,996
	<u>1,04,217</u>	<u>87,654</u>
Note 6		
Fixed Assets		
Lease hold Land *		
Cost	5,00,75,506	5,00,75,506
Less : Depreciation	97,97,400	89,80,950
Net value	4,02,78,106	4,10,94,556
Freehold Land at Cost	16,05,285	16,05,285
	<u>4,18,83,391</u>	<u>4,26,99,841</u>
* Pending execution of lease by Maharashtra Industrial Development Corporation and regularisation of the lease.		
Note 7		
Long-Term Loans and Advances		
Unsecured - Considered Good		
Deposits (Sales Tax Deposit)	-	11,000
MAT Credit Entitlement	19,63,754	30,97,423
	<u>19,63,754</u>	<u>31,08,423</u>
Note 8		
Cash and Cash Equivalents		
Bank Balances - Current Account	2,64,215	2,70,658
Bank Balances - Fixed Deposit Account (Maturity of less than six months)	9,42,98,993	8,56,27,995
	<u>9,45,63,208</u>	<u>8,58,98,653</u>
Note 9		
Short-term Loans and Advances		
Unsecured - Considered Good		
Advance to Holding Company	-	21,93,625
Advance to Others	1,64,88,850	1,65,00,086
Advance Payment of Tax (Net of Provision Rs.2.07,81,800/=.)	12,10,621	6,58,216
(As on 31.03.2015 Rs.1,93,63,800/=).	<u>1,76,99,471</u>	<u>1,93,51,927</u>
Note 10		
Other Current Assets		
Interest accrued on Bank Deposits	5,12,626	17,52,779
	<u>5,12,626</u>	<u>17,52,779</u>



PARRY CHEMICALS LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

	<u>For the year ended</u>		<u>For the year ended</u>	
	<u>31st March 2016</u>		<u>31st March 2015</u>	
	Rs.	Rs.	Rs.	Rs.
<u>Note 11</u>				
Revenue from operations				
Commission Received		30,85,319		33,14,722
		<u>30,85,319</u>		<u>33,14,722</u>
<u>Note 12</u>				
Other Income				
Interest Received		72,00,940		76,27,927
Rent Received		2,40,000		2,40,000
Miscellaneous Income		15,81,932		-
		<u>90,22,872</u>		<u>78,67,927</u>
<u>Note 13</u>				
Finance Cost				
Interest on Long Term Liabilities		-		52,600
		<u>-</u>		<u>52,600</u>
<u>Note 14</u>				
Other Expenses				
Rates & Taxes		2,20,515		1,96,990
Directors' Fees And Commission		1,93,180		
Travel		27,644		
Professional & Consultancy		25,09,641		11,850
Audit Fees				
For Audit	1,00,000		1,00,000	
For Taxation	28,525		11,236	
For Other Services	25,688	1,54,213	25,281	1,36,517
Expenses Reimbursed to Holding Company.		7,42,626		7,30,340
Administration and Other Expenses		2,926		8,827
		<u>38,50,745</u>		<u>10,84,524</u>



PARRY CHEMICALS LIMITED

NOTE NO:15

ACCOMPANYING NOTES TO FINANCIAL STATEMENTS:

1. Accounting Policies

a. Basis of preparation of accounts

The financial statements have been prepared on the basis of going concern, under the historic cost convention, to comply in all material aspects with applicable accounting principles in India, the Accounting Standards notified under Sec 133 of the Companies Act, 2013 ("the Act") and the relevant provisions of the Act.

- b. These accounts are prepared on 'Going Concern Basis' with Revenues and Costs considered on accrual basis. Commission income receivable from the Holding Company for allowing it to deal with the company's branded products is accounted on accrual basis in terms of the agreement with the Holding Company.

c. Investments

Current and Non-Current Investments are valued at cost and income arising therefrom are accounted on accrual basis. The diminution in the market value of such investments is not recognized unless such diminution is considered permanent.

d. Fixed Assets

Leasehold Land is stated at cost of assignment of lease rights plus registration charges and is amortised over the lease period. Freehold land is stated at cost plus registration charges.

e. Leases

Leasehold land cost is being amortised over the lease period.

f. Revenue Recognition

- (i) Sale of goods is recognized at the point of despatch to customers. Sales include amounts recovered towards Excise Duty and exclude sales tax
- (ii) Dividend Income from investments is accounted for in the year in which the right to receive the payment is established.
- (iii) Commission income is recognised based on the agreements /arrangements with concerned parties.

2. Deferred Tax

There is no Deferred tax liability / asset as at 31st March 2016 as there are no timing differences between the income computed under the Income tax Act and that shown in these accounts.



3. Related Party Disclosure

i	Related Parties	Coromandel International Limited – Holding Company		Dare Investments Limited – Fellow Subsidiary Company		Directors	
ii	Transactions during the year	Rs.		Rs.		Rs.	
		2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
	Investments			Nil	Nil	Nil	Nil
	Sale of Investments	Nil	Nil				
	Commission received	30,85,319	33,14,722	Nil	Nil	Nil	Nil
	Rental Income	2,40,000	2,40,000	Nil	Nil	Nil	Nil
	Service Charges paid	7,42,626	7,30,340	Nil	Nil	Nil	Nil
	Expenses Reimbursed	7,72,166	Nil	Nil	Nil	Nil	Nil
	Advances given	Nil	Nil	Nil	Nil	Nil	Nil
	Advances Repaid	Nil	Nil	Nil	40,000	Nil	40,000
	Sitting fees paid					1,93,180	Nil
iii	Balances outstanding	Rs.	Rs.	Rs	Rs	Rs	Rs
	Share Capital	10,00,00,000	10,00,00,000	Nil	Nil	Nil	Nil
	Investments	Nil	Nil	Nil	Nil	Nil	Nil
	Short Term Advances	Nil	21,93,625	Nil	Nil	Nil	Nil

4. Segment Reporting

The Company has considered business segment as the primary segment for disclosure. The Company is engaged in trading of pesticides, and earning commission income for the sale of pesticides by the Holding Company under the brand name developed by the Company, which in the context of AS 17 is considered the only business segment.

5. Contingent Liability Not Provided for

Income Tax demand under appeal Rs.350660/- (2014-15 Rs.Nil)

6. Earnings Per Share

	2015-16 Rs	2014-2015 Rs
Profit / (loss) after tax as per Profit and Loss Statement	48,89,327	60,92,189
Earnings per share		
Basic	0.49	0.61
Diluted	0.49	0.61


7. There are no dues to Small Scale Industrial (SSI) undertaking as per information available with the company. Based on the information available with the company there are no dues outstanding to Micro and Small Enterprises as defined under Micro, Small and Medium Enterprises Development Act 2006 as at 31st March 2016.
8. Previous Year's figures have been reclassified wherever necessary to conform to the classifications adopted in these accounts.
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SIGNATURES TO NOTE NOS. 1 TO 15


**For SHANKER GIRI & PRABHAKAR
CHARTERED ACCOUNTANTS**



**P. PRABHAKAR RAO
PARTNER**



**G.VEERABHADRAM
Chairman**



**S. SANKARASUBRAMANIAN
Director**

Place :Secunderabad

Date : 18/04/2016



Company Secretary



**S. RAJKANNAN
Chief Financial Officer**
