

OCEAN AGRO (INDIA) LTD.



**27th ANNUAL
REPORT | 2016-2017**



Board of Directors	Mr. Kaushik B. Parikh	-	Managing Director
	Mr. Manhar D. Patel	-	Joint Managing Director
	Mr. Girishbhai G. Shah	-	Director
	Mr. Ramanbhai N Patel	-	Director
	Mrs. Rekhaben S. Shah	-	Director
Auditors	M/s. Ambalal M. Shah Co.		
Bankers	Bank of Baroda		
Plastics Division	66, Industrial Estate, GIDC, Nandesari, Dist. Vadodara		
Agro Division	76, Industrial Estate, GIDC, Nandesari, Dist . Vadodara		
Registered Office	A-207, Oxford Avenue, Opp. C.U. Shah College, Ashram Road, Ahmedabad-380 014.		
Corporate Office	5, Alkapuri , Opp. Express (Alkapuri) Hotel, Off. R.C. Dutt Road, Vadodara-390 007.		

INDEX

Sr. No.	CONTENTS	PAGE NO.
1.	Notice	1
2.	Directors' Report	12
3.	Auditors Report	36
4.	Financial Result	44
5.	Cash Flow Statement	62
6.	Auditors Report Consolidated	63
7.	Financial Result Consolidated	68
8.	Cash Flow Statement Consolidated	83



NOTICE

OCEAN AGRO (INDIA) LIMITED

NOTICE is hereby given that the 27th Annual General Meeting of the members of M/s **OCEAN AGRO (INDIA) LIMITED** will be held on Friday the 29th September, 2017 at the A-207, Oxford Avenue, Opp. C. U. Shah College, Ashram Road, Ahmedabad 380014 at 09.30 a.m. to transact the following business:-

ORDINARY BUSINESS

1. To consider, receive and adopt the Audited Balance Sheet as on 31st March, 2017 and Statement of Profit and Loss for the year ended on 31st March, 2017 together with Directors' and Auditors' Report thereon.
2. To appoint a Director in place of Shri. Kaushikbhai B. Parikh who retires by rotation and is eligible for re-appointment.
3. To appoint the Auditors and to fix their remuneration and in this regard pass with or without modification(s), the following resolution as an Ordinary Resolution.

“**RESOLVED THAT** pursuant to the provisions of Section 139, 142 read with Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 M/s. Kishor Sheth & Co., Chartered Accountants (Firm Registration No. 117526W) be and are hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the 32nd Annual General Meeting subject to ratification by the shareholders annually, at a remuneration to be decided by the Managing Director in consultation with the Auditors plus applicable Goods and Services Tax and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit.”

SPECIAL BUSINESS

TO CONSIDER AND, IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S) THE FOLLOWING RESOLUTIONS AS SPECIAL RESOLUTIONS:

ITEM NO. 4

“**RESOLVED THAT** pursuant to the provisions of Section 196, 197, Schedule V and other applicable provisions if any of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) the Company hereby accords its approval to re-appoint Shri Kaushik B. Parikh as the Managing Director of the Company for a period of Five Years w.e.f 1st June 2017 on an aggregate remuneration of Rs. 40.00 Lacs p.a. including all perquisites. In addition he shall be entitled such commission as may be decided by the Board from time to time subject to the limit specified in Schedule V of the Companies Act, 2013.”

“**RESOLVED FURTHER THAT** in the event of any statutory amendment or modification by the Central Government to Schedule V to the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Board of Directors be and are hereby authorized to vary and alter the terms of appointment including salary, commission, perquisites, allowances etc. payable to Shri Kaushik B Parikh within such prescribed limit or ceiling and as agreed by and between the Company and Shri Kaushik B Parikh without any further reference to the Company in General Meeting.”



ITEM NO. 5

“**RESOLVED THAT** pursuant to the provisions of Section 196, 197, Schedule V and other applicable provisions if any of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) the Company hereby accords its approval to appoint Shri Manhar D Patel as the Joint Managing Director of the Company for a period of Five Years w.e.f 1st October, 2017 on an aggregate remuneration of Rs. 40 Lacs p.a. including all perquisites. In addition he shall be entitled such commission as may be decided by the Board from time to time subject to the limit specified in Schedule V of the Companies Act, 2013.”

“**RESOLVED FURTHER THAT** in the event of any statutory amendment or modification by the Central Government to Schedule V to the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Board of Directors be and are hereby authorized to vary and alter the terms of appointment including salary, commission, perquisites, allowances etc. payable to Shri Manhar D Patel within such prescribed limit or ceiling and as agreed by and between the Company and Shri Manhar D Patel without any further reference to the Company in General Meeting.”

By Order of the Board of Directors

Place: Vadodara
Date: 19th August, 2017

Kaushik Parikh
Managing Director

Registered Office

A – 207, Oxford Avenue,
Opp. C. U. Shah College
Ashram Road
Ahmedabad 380 014
Phone: (0265) 2351223, 2313690
Fax: (0265) 2313690
Email Id: kaushik_parikh@yahoo.com
Website: www.oceanagro.com
CIN: L15174GJ1990PLC013922



NOTES

1. A Member entitled to attend and vote at The Annual General Meeting (“Meeting/AGM”) is entitled to appoint a proxy to attend and vote on a poll instead of himself / herself and the proxy need not be a member of the company. A person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10 percent of the total share capital of the company. However, A Member holding more than 10%, of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or member. The instrument appointing proxy in order to be valid and effective should be lodged / deposited with the company at its Registered Office at least 48 (Forty Eight) hours before the commencement of the Meeting.
2. The relative explanatory statement, pursuant to Section 102 (2) of the Companies Act, 2013 in respect of the special business under item number 4 & 5 is annexed hereto.
3. Additional information pursuant to Section 102 of the Companies Act, 2013, on directors recommended for reappointment at the Annual General Meeting, is given in this notice.
4. The Register of Beneficial Owners, Register of Members and Share Transfer Book of the Company shall remain closed from 18th September, 2017 to 28th September, 2017 both days inclusive.
5. Members/ proxies should bring their copy of the Annual Reports and Accounts along with Attendance Slip (duly completed) when attending the Meeting.
6. Members who hold shares in dematerialised form are requested to write their Client – ID and DP – ID Numbers and those who hold shares in Physical form are requested to write their Folio Number in the Attendance Slip for attending the Meeting.
7. The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively) has undertaken a “Green Initiative in Corporate Governance” and allowed companies to share documents with its shareholders through an electronic mode. A soft copy of the Annual Report has been sent to all those shareholders who have registered their email address. Members are requested to support this green initiative by registering/ updating their email address for receiving electronic communication.
8. All documents referred to in the accompanying notice and explanatory statements are open for inspection at the registered office of the Company on all working days, except Saturday between 11.00 a.m. to 1.00 p.m. prior to the date of AGM.
9. Members seeking any information with regard to accounts are requested to write to the Company at least 10 days before the meeting so as to enable the management to keep the information ready.
10. A route map showing directions to reach the venue of the 27th AGM is annexed.



Voting in Electronic Form (E-Voting)

11. Process and manner for members opting for voting through Electronic means:

- (i) In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer the facility of voting through electronic means and the business set out in the Notice above may be transacted through such electronic voting. The facility of voting through electronic means is provided through the e-voting platform of Central Depository Services (India) Limited (“remote e-voting”).
- (ii) Members whose names are recorded in the Register of Members or in the Register of Beneficial owners maintained by the Depositories as on the Cut-off date i.e. 22nd September, 2017, shall be entitled to avail the facility of remote e-voting as well as voting at the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.
- (iii) A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. 22nd September, 2017, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or through the Poll Paper at the AGM by following the procedure mentioned in this part.
- (iv) The remote e-voting will commence on Monday 25th September, 2017 at 9.00 a.m. and will end on Thursday, 28th September, 2017 at 5.00 p.m. During this period, the members of the Company holding shares either in physical form or in demat form as on the Cut-off date i.e. 22nd September, 2017, may cast their vote electronically. The members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by CDSL thereafter.
- (v) Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.
- (vi) The facility for voting through Poll Paper would be made available at the AGM and the members attending the meeting who have not already cast their votes by remote e-voting shall be able to exercise their right at the meeting through Poll Paper. The members who have already cast their vote by remote e-voting prior to the meeting, May also attend the Meeting, but shall not be entitled to cast their vote again.
- (vii) The voting rights of the members shall be in proportion to their share in the paid up equity share capital of the Company as on the Cut-off date i.e. 22nd September, 2017.
- (viii) The Company has appointed CS Ashwin Shah, Practicing Company Secretary (Membership No. FCS: 1640; CP No: 1640), to act as the Scrutinizer for conducting the remote e-voting process as well as the voting through Poll Paper at the AGM, in a fair and transparent manner.



(ix) The procedure and instructions for remote e-voting are, as follows:

Step 1. Open your web browser during the voting period and log on to the e-voting website: www.evotingindia.com.

Step 2. Now click on “Shareholders” to cast your votes.

Step 3. Now, fill up the following details in the appropriate boxes:

User-ID	<p>(a) For CDSL: 16 digits beneficiary ID</p> <p>(b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID</p> <p>(c) Members holding shares in physical form should enter the Folio Number registered with the Company.</p>
---------	---

Step 4. Next, enter the Image Verification as displayed and Click on Login.

If you are holding shares in demat form and had logged on to then your existing password is to be used.

Step 5. If you are a first time user follow the steps given below:

For members holding shares in demat form and physical form:	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department</p> <p>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</p> <p>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. e.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</p>
DOB [#]	Enter the Date of Birth as recorded in dd/mm/yyyy format.
Dividend Bank Details [#]	<p>Enter the Dividend Bank Details as recorded in your demat account or the Company records for the said folio.</p> <p>If the details are not recorded with the Depository or Company, please enter the number of Shares held by you in the bank account column.</p>

[#]Please enter the DOB or dividend bank details in order to login.



- Step 6. After entering these details appropriately, click on “SUBMIT” tab.
- Step 7. Members holding shares in physical form will then directly reach the Company selection screen. However, first time user holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password can also be used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that the Company opts for e-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. If Demat account holder has forgotten the changed password then enter the user ID and the image verification code and click on Forgot Password and enter the details as prompted by the System.
- Step 8. For members holding shares in physical form, the details can be used only for remote e-voting on the resolutions contained in this Notice.
- Step 9. Click on EVSN of the Company i.e. **170809015** to vote.
- Step 10. On the voting page, you will see Resolution Description and against the same, the option “YES/NO” for voting. Select the relevant option as desired YES or NO and click to submit.
- Step 11. Click on the resolution file link if you wish to view the entire Notice.
- Step 12. After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- Step 13. You can also take print out of the voting done by you by clicking on “Click here to print” option on the Voting page.
- Step 14. Instructions for Non – Individual Members and Custodians:
- Non-Individual Members (i.e. other than Individuals, HUF, NRI, etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details, a compliance user should be created using the admin login and password. The compliance user would be able to link the account(s) for which they wish to vote on.



- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts; they would be able to cast their vote.
 - A scan copy of the Board Resolution and Power of Attorney (“POA”) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the Scrutinizer to verify the same.
- (x) The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.oceanagro.com and on the website of CDSL i.e. www.cdslindia.com within three days of the passing of the Resolutions at the 27th Annual General Meeting of the Company and shall also be communicated to the Stock Exchanges where the shares of the Company are listed.
- (xi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

Contact Details:

Company:

Ocean Agro (India) Limited
A 207, Oxford Avenue,
Opp C U Shah College,
Ashram Road,
Ahmedabad 380 014
CIN: L15174GJ1990PLC013922
Email Id: kaushik_parikh@yahoo.com

Registrar and Transfer Agents: Adroit Corporate Services Private Limited
205 -206, Sterling Center, R C Dutt road, Alkapuri,
Vodadara – 390 007
Phone: 0265- 2333667
Email ID: acsbaroda@adroitcorporate.com

E-Voting Agency:

Central Depository Services (India) Limited
E-mail ID: helpdesk.evoting@cdslindia.com
Phone: 022- 22723333/ 8588

Scrutinizer:

CS Ashwin Shah
Practicing Company Secretary
E-mail ID: ashwinfcs@yahoo.co.in



EXPLANATORY STATEMENT UNDER SECTION 173 (2) OF THE COMPANIES ACT, 2013 ALONG WITH SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 4

Shri K. B. Parikh has contributed a lot in the progress of the Company in all areas of business during his term of office. He is deeply involved in the day-to-day management of the company and takes keen interest in various ongoing activities of the Company. It is in the interest of the Company to appoint him for further period of 5 years. In the meeting of Board of Directors held on 29th May 2017 he is appointed as Managing Director for 5 years from 01/06/2017 to 31/05/2022 subject to the approval of members.

The terms and conditions of his appointment are as follows:

1. Remuneration: As provided in the resolution.
2. Period of appointment: Five years beginning June 01, 2017 and ending on May 31, 2022.
3. The appointment may be terminated by either party by giving three months' notice in writing of such termination or as may be mutually agreed between the parties.
4. Shri K. B. Parikh shall perform such duties as shall from time to time be entrusted to him by the Board of Directors, subject to superintendence, guidance and control of the Board of Directors.

The resolution seeks the approval of the members in terms of Sections 196 and 197 read with Schedule V and other applicable provisions of the Companies Act, 2013, and the Rules made thereunder for the appointment of Shri K. B. Parikh as a Managing Director for a period of five years commencing June 01, 2017.

In accordance with the resolution, within the aforesaid limits, the amount of salary, ex-gratia and perquisites payable to Shri K. B. Parikh (including the types and amount of each type of perquisite) will be decided by the Board of Directors or Nomination and Remuneration Committee (or Compensation Committee) from time to time as it may deem fit in its absolute discretion. Further, Shri K. B. Parikh shall be entitled to benefits as provided to senior employees, in accordance with schemes made by the Company from time to time. The valuation of perquisites will be as per the Income – Tax Rules, 1962, in cases where the same is otherwise not possible to be valued.

Your directors recommend to pass the resolution.

None of the Directors of the Company or their relatives except Shri K. B. Parikh or Key Managerial Personnel (KMP) or their relatives is interested in above resolution

ITEM NO. 5

Shri M. D. Patel has contributed a lot in the progress of the Company in all areas of business during his term of office. He is deeply involved in the day-to-day management of the company at operation level and takes keen interest in various ongoing activities of the Company. It is in the interest of the Company to appoint him for further period of 5 years. In the meeting of Board of Directors held on 29th May 2017 he is appointed as Joint Managing Director for 5 years from 01/10/2017 to 30/09/2022 subject to the approval of members.



The terms and conditions of his appointment are as follows:

1. Remuneration: As provided in the resolution.
2. Period of appointment: Five years beginning October 01, 2017 and ending on September 30, 2022.
3. The appointment may be terminated by either party by giving three months' notice in writing of such termination or as may be mutually agreed between the parties.
4. Shri M. D. Patel shall perform such duties as shall from time to time be entrusted to him by the Board of Directors, subject to superintendence, guidance and control of the Board of Directors.

As Mr. Manharbhai D. Patel has attended the age of seventy years, the resolution seeks the approval of the members in terms of Sections 196 and 197 read with Schedule V and other applicable provisions of the Companies Act, 2013, and the Rules made thereunder for the appointment of Shri M. D. Patel as a Joint Managing Director for a period of five years commencing October 01, 2017.

In accordance with the resolution, within the aforesaid limits, the amount of salary, ex-gratia and perquisites payable to Shri M. D. Patel (including the types and amount of each type of perquisite) will be decided by the Board of Directors or Nomination and Remuneration Committee (or Compensation Committee) from time to time as it may deem fit in its absolute discretion. Further, Shri M. D. Patel shall be entitled to benefits as provided to senior employees, in accordance with schemes made by the Company from time to time. The valuation of perquisites will be as per the Income – Tax Rules, 1962, in cases where the same is otherwise not possible to be valued.

Your directors recommend to pass the resolution.

None of the Directors of the Company or their relatives except Shri M. D. Patel or Key Managerial Personnel (KMP) or their relatives is interested in above resolution.

By Order of the Board of Directors

Place: Vadodara
Date: 19th August, 2017

Kaushik Parikh
Managing Director

Registered Office:

A – 207, Oxford Avenue,
Opp. C. U. Shah College
Ashram Road
Ahmedabad 380 014
Phone: (0265) 2351223, 2313690
Fax: (0265) 2313690
Email Id: kaushik_parikh@yahoo.com
Website: www.oceanagro.com
CIN: L15174GJ1990PLC013922



ANNEXURE TO NOTICE

Details of Directors seeking re-appointment as per Item No. 2 of the Ordinary Business in Ensuing Annual General Meeting to be held on 29th September, 2017 are as under:

Particulars	Date of Birth	Date of Appointment	Qualification	Nature of Expertise	Directorships held in other companies	Membership/Chairmanships of committees of other companies (includes only Audit committee and Shareholder/Investor Grievance Committee)			No. of Shares held in the Company (Ocean Agro India Limited)
						Name of the company	Committee	Position	
Mr.Kaushik B.Parikh	10.11.1949	22.06.1990	B.Sc	Mr. K. B. Parikh, who is Managing Director of the Company, has been very successful entrepreneur with high vision and has to his credit several path breaking achievements. He holds a Bachelor of Science degree from Gujarat University. Prior to starting our Company, since 1973, he was managing manufacturing and commercial activities of Pesticides, Industrial Plastics and Innovative System. He has more than 37 years experience in the agrochemicals industry and more than 28	1. Nandesari Agrochemicals Pvt Ltd. 2. Dhanshree Agro Chemicals (Nandesari) Pvt Ltd. 3. Om Pesticides (Nandesari) Private Limited. 4. Associated Mfg (Rania) Pvt Ltd. 5. Shree Nandesari Finance Ltd. 6. Indian Industrial Plastics And Petrochems Private Limited.	NIL			29,83,826 Shares (44.24%)



				years of experience in the polymer processing industry. He is Chairman and Managing Director. He currently oversees the corporate affairs and Finance of our Company and is responsible for all the major policy decisions.			
--	--	--	--	---	--	--	--



DIRECTORS' REPORT

To
The Members,

Your Directors have pleasure in presenting the 27th Annual Report together with the Audited Financial Statements of the company for the year ended 31st March 2017.

1. Financial Performance

(Rs. in Lacs)

PARTICULARS	Year ended 31/03/2017	Year ended 31/03/2016
Income for the year was	2350.55	2276.14
The year's working shows a Gross Profit of	184.56	188.66
Out of which, Provisions have been made for :-		
Depreciation	31.52	29.46
Provision for Taxation :		
(i) Current Income Tax	24.00	23.50
(ii) Deferred Tax		
Provision for doubtful debts	80.00	100.00
Previous year expenses	0.00	0.00
Profit after Income Tax	49.04	35.70

2. Dividend

Due to inadequacy of profit, directors have thought fit to conserve the liquidity. The directors therefore do not recommend dividend for the current year.

3. Industrial Relation

Industrial relations remained cordial throughout the year. Your Directors place on record their deep appreciation of the contribution made by the employees at all levels. Measures have been taken for Human Resources Development.

4. Performance/ Statement of Company's Affairs

During the year under report turnover has increased 3.27% from Rs. 2276.14 lacs to Rs. 2350.55 lacs and the profit after tax has increased from Rs. 35.70 lacs to Rs. 49.04 lacs. The Directors are endeavoring to improve the performance of the Company in the coming years. Company is strengthening its sales and distribution network by increasing sales staff in unrepresented areas.

5. Corporate Social Responsibility

Section 135 of the Companies Act, 2013 and framed Rules thereunder provides that certain Companies are required to spend 2% of its average net profit during 3 preceding years on CSR activities. It also provides formation of CSR committee of the Board. The Rules prescribe the activities qualify under CSR and the manner of spending the amount.



The company is not covered under section 135 of the Companies Act, 2013 and the Rules framed thereunder for the financial year under report. CSR Committee of the Board will be constituted at the time of applicability, of section 135 of the Act. Hence CSR report is not required to be annexed.

6. Disclosure under Companies Act, 2013

I. Share Capital

The paid up equity capital as on March 31, 2017 was Rs. 67,44,900. During the year under review, The Company has neither issued shares with differential voting rights nor granted stock options nor sweat equity nor bonus share.

(ii) Board Meetings

A calendar of Meetings is prepared and circulated in advance to the Directors.

During the year 7 Board Meetings were convened and held. The details of which are given below:

Sr. No.	Date of Meeting
1	May 30, 2016
2	June 20, 2016
3	July 01, 2016
4	August 12, 2016
5	November 11, 2016
6	February 13, 2017
7	March 01, 2017

The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

II. Statement on Declaration given by Independent Director

All independent directors have given declarations that they meet the criteria of independence as laid down under section 149 (6) of the Companies Act, 2013.

III. Independent Directors' Meeting

The Independent Directors met on 01.03.2017, without attendance of Non-Independent Directors and members of the Management. The Directors reviewed performance of the non-Independent Director and the Board as a whole; the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

IV. Particulars of Loans, Guarantees or Investments

The company has neither given any loans or guarantees nor made investments covered under the provisions of section 186 of the Companies Act, 2013.



V. Audit Committee Meeting

During the year under review Audit Committee met four times on May 30, 2016, August 12, 2016, November 11, 2016 and February 13, 2017. The intervening gap between two meetings did not exceed four months.

The Composition of the Audit Committee and details of attendance of the members at the committee meetings during the year are given below:

Name	Category	No. of Meetings During the Year	
		Held	Attended
Shri Girishbhai Shah	Independent Director	4	4
Shri Kaushikbhai Parikh	Managing Director	4	4
Dr. Ramanbhai Patel	Independent Director	4	4

The Chief Financial Officer and representatives of Statutory Auditors are invited to the meetings of the Audit Committee.

The Committee discharges such duties and functions generally indicated in Section 177 of the Companies Act, 2013 and such other functions as may be specifically delegated to the Committee by the Board from time to time.

VI. Nomination & Remuneration Committee

During the year under review Nomination & Remuneration Committee met two times on March 01, 2017 and July 01, 2017

The composition of the Nomination & Remuneration Committee and details of meetings attended by the members are given below:

Name	Category	No. of Meetings during the year	
		Held	Attended
Shri Girishbhai Shah	Independent Director	2	2
Dr. Ramanbhai Patel	Independent Director	2	2
Mrs. Rekhaben Shah	Independent Director	2	2



VII. Stakeholders Grievance Committee

Stakeholders' Grievance Committee met 3 times during the year on July 13, 2016, October 07, 2016 and January 01, 2017.

The composition of the Stakeholders' Grievance Committee and details of meetings attended by members are given below:

Name	Category	No. of Meetings during the year	
		Held	Attended
Shri Girishbhai Shah	Independent Director	3	3
Dr. Ramanbhai Patel	Independent Director	3	3
Shri Kaushikbhai Parikh	Managing Director	3	3

VIII. Statement on declaration given by independent director

All independent directors have given declarations that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013 and the applicable regulations of SEBI (Listing Obligations and Disclosures) Regulations 2015.

IX. Particulars of loans, guarantees or investments:

The company has neither given any loans or guarantees nor made investments covered under the provisions of section 186 of the Companies Act, 2013.

7. Business Risk management

Pursuant to section 134 (3) (n) of the Companies Act, 2013 the company has carried out an exercise to identify elements of risk factors and has not identified any element of risk which may threaten the existence of the company.

8. Internal Control System

The Company has laid down Internal Financial Control Policy under Section 134 (5) (e) of the Companies Act, 2013 which helps in 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 timely preparation of reliable financial information.

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined in the Internal Audit Manual. To maintain its objectivity and independence, the Internal Audit Function reports to the Chairman of the Audit Committee of the Board and to the Chairman & Managing Director.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of Internal Audit Function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant Audit Observations and Recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.



9. Vigil Mechanism/whistle Blower policy

The Company has a vigil mechanism named Fraud and Risk Management Policy to deal with instance of fraud and mismanagement, if any.

In staying true to our values of Strength, Performance and Passion and in line with our vision of being one of the most respected companies in India, the Company is committed to the high standards of Corporate Governance and stakeholder responsibility.

10. Director and Key Managerial Personnel

(i) Retirement by rotation

Shri Kaushikbhai B. Parikh retires by rotation and, being eligible, offers himself for re-appointment. The Directors recommend Shri Kaushikbhai B. Parikh for re-appointment.

(ii) Appointment of Independent Director

Independent Directors were appointed as per the requirements of section 149 of the Companies Act, 2013. Details of appointment of Independent Directors are as follows:

Sr. No.	Name of Directors	Date of Appointment	Term
1	Shri Girishbhai Shah	25 th September, 2014	5 Years
2	Dr. Ramanbhai Patel	25 th September, 2014	5 Years
3	Mrs. Rekhaben Shah	29 th September, 2015	5 Years

(iii) Evolution of Board Performance

Pursuant to the provisions of the Companies Act, 2013 and applicable regulations of SEBI (Listing Obligations and Disclosures) Regulations 2015, the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration Committees.

(iv) Remuneration Policy

a. Remuneration to Non-Executive Directors

At present the Company does not have the policy of payment of remuneration to Non Executive directors except by way of sitting fees for attending the meeting of the Board or a committee thereof.

b. Remuneration to Executive Directors

The Company has credible and transparent policy in determining and accounting for the remuneration of Executive Directors. Their remuneration is governed by external competitive environment; track record, potential, individual performance and performance of the Company as well as Industrial Standards. The remuneration determined for the Executive Directors is subject to the approval of Remuneration Committee of the Board of Directors.



11. Director responsibility Statement

In terms of Section 134(5) of the Companies Act, 2013, the Directors would like to state that:

- I. In the preparation of the annual accounts, the applicable accounting standards have been followed.
- II. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review.
- III. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- IV. The Directors have prepared the Annual Accounts on a going concern basis.
- V. The Directors had laid down Internal Financial Controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- VI. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

12. Public Deposit

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

13. Related Party Transaction

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large. Accordingly the disclosure of related party transaction as required under section 134 (3)(h) of the companies Act, 2013 in Form AOC-2 is not applicable.

14. Significant Material Orders Passed by the Regulators / Courts

There are no significant material orders passed by the Regulators/ Courts which would impact the going concern status of the Company and its future operations.

15. Subsidiary Company

The Company had 1 subsidiary at the beginning of the year. A statement containing brief financial details of the subsidiaries is included in the Annual Report.

As required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 into with the Stock Exchanges, a consolidated financial statement of the Company and its subsidiary is attached. The consolidated financial statements have been prepared in accordance with the relevant accounting standards as prescribed under Section 129 (3) of the Act. These financial statements disclose the assets, liabilities, income, expenses and other details of the Company and its subsidiary.



Pursuant to the provisions of Section 129, 134 and 136 of the Companies Act, 2013 read with rules framed thereunder and pursuant to Clause 33 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company had prepared consolidated financial statements of the company and its subsidiaries and a separate statement containing the salient features of financial statement of subsidiaries, joint ventures and associates in Form AOC-1 forms part of the Annual Report.

16. Auditors

(i) Statutory Auditor

M/s. Ambalal M. Shah & Co., (Firm Registration No 100304W), Chartered Accountants was appointed as Statutory Auditors of your Company at the Annual General Meeting held on 25th September, 2014. The Report given by the Auditors on the financial statements of the Company is part of the Annual Report.

The observations of the Auditors are duly explained in notes 27 the Annual Accounts.

M/s. Ambalal M. Shah & Co., (Firm Registration No 100304W), Chartered Accountants retire at the conclusion of the ensuing Annual General Meeting. M/s. Kishor Sheth & Co., (Firm Registration No. 117526W) Chartered Accountants have confirmed their eligibility and willingness to accept the office of Statutory Auditor of the Company. The necessary resolution seeking your approval for appointment of Statutory Auditor has been incorporated in the notice convening the Annual General Meeting.

(ii) Secretarial Auditor

Pursuant to provisions of section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company has appointed Shri Ashwin Shah, a company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as "Annexure A"

17. Extract of Annual Return

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as "Annexure B".

18. Prevention of Insider Trading

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

19. Prevention of Sexual Harassment at Workplace

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and rules made thereunder, your Company has constituted Internal Complaints Committee (ICC) which is responsible for redressal of complaints related to sexual harassment.

During the year under review, there were no complaints pertaining to sexual harassment.



- 20. Energy Conservation, Technology Absorption, Foreign Exchange Earnings and Outgo**
As required under section 134 (3) (m) of the Companies Act, 2013 and the rules made thereunder, the concerned particulars relating to Energy conservation and Technology Absorption are not applicable to the Company. Foreign Exchange Earning and outgo is given in “**Annexure-C**”, which is attached here to and forms part of the Director’s Report.
- 21. Corporate Governance & Management Discussion and Analysis Report**
Corporate Governance as stipulated in regulation 15 of SEBI (Listing Obligations and Disclosures) Regulations is not mandatory, for time being, in respect of Companies having paid up equity share capital not exceeding is Rs. 10 Crore and net worth not exceeding Rs. 25 Crore as on 31.03.2017 In view this the Company is not required to give Corporate Governance Report. Management Discussion and Analysis Report form part of this report are enclosed as “**Annexure-D**” and forms part of the report.
- 22. Particulars of Employees**
The information required pursuant to Section 197 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the reports and accounts are being sent to the members and others entitled thereto, excluding the information on employees’ particulars which is available for inspection by the members at the Registered Office of the company during business hours on working days of the Company up to the date of ensuing Annual General Meeting. If any member is interested in inspecting the same, such member may write to the Company Secretary in advance.
- 23. Acknowledgement**
The directors extend their sincere thanks to the Bankers, Financial Institutions, Central Government and State Government Authorities and all associated with the company for the co-operation. The Directors also place on record the efforts made by the employees, workers and all other associated with the company for making their organization successful.

By Order of the Board of Directors

Place: Vadodara

Date: 19th August, 2017

K. B. Parikh
Managing Director

M. D. Patel
Joint Managing Director

Registered Office

A – 207, Oxford Avenue,
Opp. C. U. Shah College,
Ashram Road,
Ahmedabad 380 014

Phone : (0265) 2351223, 2313690

Fax : (0265) 2313690

Email Id : kaushik_parikh@yahoo.com

Website : www.oceanagro.com

CIN : L15174GJ1990PLC013922



‘ANNEXURE A’
SECRETARIAL AUDIT REPORT
FORM NO. MR-3

FOR THE FINANCIAL YEAR ENDED 31st March 2017

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies
(Appointment and Remuneration Managerial Personnel) Rules, 2014]

To,
The Members,
OCEAN AGRO (INDIA) LTD

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **OCEAN AGRO (INDIA) LTD** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2017 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- V. As per the explanations and clarifications given to us and the representation made by the management, during the period under review there are no specific laws applicable to company.

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

- I. Secretarial Standards issued by The Institute of Company Secretaries of India.
- II. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.



During the period under review and as per the explanations and clarification given to us and the representation made by the company, the company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to filing of certain e-forms with additional fees.

The company was not required to comply with the provision of other regulation listed in the Form No. MR-3 prescribed under the Companies Rules, 2014 as there were no instance / events falling within the purview of these regulations during the financial year.

I further report that

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

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

Decisions at the Board Meetings, as represented by the management, were taken unanimously.

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

Place: Ahmedabad
Date: 19th August, 2017

CS Ashwin Shah
Company Secretary
C. P. No. 1640

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



'ANNEXURE 1'

To,
The Members,
OCEAN AGRO (INDIA) LTD

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

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

Place: Ahmedabad
Date: 19th August, 2017

CS Ashwin Shah
Company Secretary
C. P. No. 1640



‘ANNEXURE B’

MGT - 9

EXTRACT OF ANNUAL RETURN

as on the financial year ended 31.03.2017 [Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i	CIN	L15174GJ1990PLC013922
ii	Registration Date	22/06/1990
iii	Name of the Company	OCEAN AGRO (INDIA) LTD
iv	Category / Sub-Category of the Company	Company limited by shares/Indian Non Government Company
v	Address of the Registered office and contact details	A 207, Oxford Avenue, Opp C U Shah College Ashram Road ,Ahmedabad ,Gujarat ,380 014
vi	Whether listed company Yes / No	Yes
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any	Adroit Corporate Services Pvt. Ltd 205-206 Sterling Center, R C Dutt Road, Alkapuri, Vadodara -390 007 Mobile : 94 26 97 44 62

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Plant Growth Regulator	380830	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1	Ocean Agro L.L.C. 6150 Mission Street, Suite 204, 204, Daly City, CA 94014, United States	N A	100% Wolly Owned Subsidiary	100% (Pending Allotment)	2(87)(ii)



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

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1. Indian									
a. Individual / HUF	3789065	0	3789065	56.18	3789065	0	3789065	56.18	0
b. Central Govt.	0	0	0	0.00	0	0	0	0.00	0
c. State Govt.(s)	0	0	0	0.00	0	0	0	0.00	0
d. Bodies Corporate	922635	0	922635	13.68	922635	0	922635	13.68	0
e. Banks / FI	0	0	0	0.00	0	0	0	0.00	0
f. Any Other....	0	0	0	0.00	0	0	0	0.00	0
Sub-Total (A)(1):	4711700	0	4711700	69.86	4711700	0	4711700	69.86	0

2. Foreign									
a. NRIs – Individuals	0	0	0	0.00	0	0	0	0.00	0
b. Other – Individuals	0	0	0	0.00	0	0	0	0.00	0
c. Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0
d. Banks / FI	0	0	0	0.00	0	0	0	0.00	0
e. Any Other....	0	0	0	0.00	0	0	0	0.00	0
Sub-Total (A)(2):	0	0	0	0.00	0	0	0	0.00	0
Total Shareholding of Promoters (A) = (A)(1)+(A)(2)	4711700	0	4711700	69.86	4711700	0	4711700	69.86	0

B. Public Shareholding									
1. Institutions									
a. Mutual Funds / UTI	0	0	0	0.00	0	0	0	0.00	0
b. Banks / FI	0	200	200	0.00	0	200	200	0.00	0
c. Central Govt.	0	0	0	0.00	0	0	0	0.00	0
d. State Govt.(s)	0	0	0	0.00	0	0	0	0.00	0
e. Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0
f. Insurance Companies	0	0	0	0.00	0	0	0	0.00	0
g. FIs	0	0	0	0.00	0	0	0	0.00	0
h. Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0
i. Others (specify)	0	0	0	0.00	0	0	0	0.00	0
Sub-Total (B)(1):	0	200	200	0.00	0	200	200	0.00	0



2. Non-Institutions										
a. Bodies Corporate										
i)	Indian	489551	20200	509751	7.56	451698	20200	471898	7.00	-0.56
ii)	Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b. Individuals										
i)	Individual Shareholders holding nominal share capital upto ` 1 lakh	331640	612400	944040	14.00	407336	600700	1008036	14.95	0.95
ii)	Individual Shareholders holding nominal share capital in excess of ` 1 lakh	547364	29000	576364	8.55	495600	29000	524600	7.78	-0.77
c. Others (specify)										
i)	Shares held by Pakistani citizens vested with the Custodian of Enemy Property	0	0	0	0.00	0	0	0	0.00	0.00
ii)	Other Foreign Nationals	0	0	0	0.00	0	0	0	0.00	0.00
iii)	Foreign Bodies	0	0	0	0.00	0	0	0	0.00	0.00
iv)	NRI / OCBs	850	0	850	0.01	23665	0	23665	0.35	0.34
v)	Clearing Members / Clearing House	1995	0	1995	0.03	4801	0	4801	0.07	0.04
vi)	Trusts/HUF	0	0	0	0.00	0	0	0	0.00	0.00
vii)	Limited Liability Partnership	0	0	0	0.00	0	0	0	0.00	0.00
viii)	Foreign Portfolio Investor (Corporate)	0	0	0	0.00	0	0	0	0.00	0.00
ix)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
x)	Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (B)(2):		1371400	661600	2033000	30.14	1383100	649900	2033000	30.14	0.00
Total Public Shareholding (B)=(B)(1)+(B)(2)		1371400	661800	2033200	30.14	1383100	650100	2033200	30.14	0.00

C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	6083100	661800	6744900	100.00	6094800	650100	6744900	100.00	0.00	0.00



ii. Shareholding of Promoters

Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
	No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares Pledged /encumbered to total shares	
KAUSHIK BABUBHAI PARIKH	2983826	44.24	0.00	2983826	44.24	0.00	0.00
USHABEN K PARIKH	345042	5.12	0.00	345042	5.12	0.00	0.00
OM PESTICIDES (NANDESARI) PVT LTD	544285	8.07	0.00	544285	8.07	0.00	0.00
ASSOCIATED MANUFACTURING (RANIA) PVT LTD	94070	1.39	0.00	94070	1.39	0.00	0.00
NANDESARI AGROCHEMICALS PVT LTD	284280	4.21	0.00	284280	4.21	0.00	0.00
BABUBHAI JAMANADAS PARIKH	197274	2.92	0.00	197274	2.92	0.00	0.00
ANANDIBEN BABUBHAI PARIKH	137017	2.03	0.00	137017	2.03	0.00	0.00
MANHARBHAI DAYALJIBHAI PATEL	86578	1.28	0.00	86578	1.28	0.00	0.00
SHANTABEN MANHARBHAI PATEL	39328	0.58	0.00	39328	0.58	0.00	0.00
Total	4711700	69.86	0.00	4711700	69.86	0.00	0.00

iii. Change in Promoters' Shareholding (Please specify, if there is no change)

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
At the beginning of the year	4711700	69.86	4711700	69.86
Date : _____		0.00		0.00
Date : _____		0.00		0.00
At the end of the year	4711700	69.86	4711700	69.86



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

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
SHREE MALLIKARJUN TRADINVEST PVT LTD	120000	1.78	120000	1.78
SHREE SUPRINIT TRADINVEST PRIVATE LIMITED	110000	1.63	110000	1.63
SHREE VISHWAMURTE TRADINVEST PVT LTD	100538	1.49	100538	1.49
SHREE BHUVANAKARAM TRADINVEST PRIVATE LIMITED	100000	1.48	100000	1.48
KAUSHAL NARENDRA SHAH	100000	1.48	79000	1.17
RUPAK KUMUDBHAI SHAH	100000	1.48	100000	1.48
RIDDHI PRANAV SHETH	85000	1.26	85000	1.26
CHELISHA SAUMIL BHAVNAGARI	80000	1.19	80000	1.19
RAM GOPAL RAMGARHIA HUF	49158	0.73	0	0.00
PRANAV ASHWINBHAI SHETH	0	0.00	50000	0.74
DHWANIL SUAMIL BHAVNAGARI	40000	0.59	40000	0.59

v. Shareholding of Directors and Key Managerial Personnel

Sr. No.	Shareholding of Directors and Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Kaushibhai B. Parikh				
	At the beginning of the year	2983826	44.24	2983826	44.24
	Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	0	0	0	0
	At the end of the year	2983826	44.24	0	0.00



2 Manharbhai Patel				
At the beginning of the year	86578	1.28	86578	1.28
Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	0	0	0	0
At the end of the year	86578	1.28	0	0.00

3 Girishbhai Shah				
At the beginning of the year	500	0.01	500	0.01
Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	0	0	0	0
At the end of the year	500	0.01	500	0.01

4 Dr. Ramanbhai Patel				
At the beginning of the year	0	0.00	0	0.00
Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	0	0	0	0
At the end of the year	0	0.00	0	0.00

5 Rekhaben Shah				
At the beginning of the year	0	0.00	0	0.00
Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	0	0	0	0
At the end of the year	0	0.00	0	0.00

6 Anupbhai Shah				
At the beginning of the year	0	0.00	0	0.00
Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	0	0	0	0
At the end of the year	0	0.00	0	0.00



7 Viral Mehta				
At the beginning of the year	0	0.00	0	0.00
Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	0	0	0	0
At the end of the year	0	0.00	0	0.00

V. Indebtedness

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

		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness Crores
Indebtedness at the beginning of the financial year					
i).	Principal Amount	35272842.19	6389269.73		41662111.92
ii).	Interest due but not paid				0
iii).	Interest accrued but not due				0
Total (i+ii+iii)				0	41662111.92
Change in Indebtedness during the financial year					
	Addition	283005.40			283005.40
	Reduction	0	107650.00		107650.00
Net Change		0	0	0	175355.40
Indebtedness at the end of the financial year					
i).	Principal Amount	35555847.59	6281619.73		41837467.32
ii).	Interest due but not paid				0
iii).	Interest accrued but not due				0
Total (i+ii+iii)		35555847.59	6281619.73	0	41837467.32



VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. No.	Particulars of Remuneration	Name of Director		Total Amount of Rs.
		Kaushikbhai Parikh	Manharbhai Patel	
1.	Gross Salary	34,02,000	34,02,000	68,04,000
(a).	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	0	0	0
(b).	Value of perquisites under Section 17(2) Income Tax Act, 1961	0	0	0
(c).	Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	0	0	0
2.	Stock Options	0	0	0
3.	Sweat Equity	0	0	0
4.	Commission	0	0	0
	- as % of profit	0	0	0
	- others, specify....	0	0	0
5.	Others, please specify	0	0	0
i).	Retirals	0	0	0
	Total (A)	34,02,000	34,02,000	68,04,000

B. Remuneration to other Directors

Sr. No.	Particulars of Remuneration	Name of Director			Total Amount of Rs.
		Girishbhai Shah	Ramanbhai Patel	Rekhben Shah	
1.	Independent Directors				
1	Fee for attending Board/Committee Meetings	0	0	0	0
2	Commission	0	0	0	0
3	Others, please specify	0	0	0	0
	Total (B)	0	0	0	0
2.	Other Non Executive Directors				
1	Fee for attending Board/Committee Meetings	0	0	0	0
2	Commission	0	0	0	0
3	Others, please specify	0	0	0	0
	Total(b)(2)	0	0	0	0
	Total(b)=(b)(1)+(b)(2)	0	0	0	0
	Overall Ceiling as per the Act	1% of Net Profit			



C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sr. No.	Particulars of Remuneration	Name of Key Managerial Personnel		Total Amount of Rs.
		ANUPKUMAR SHAH	Viral Mehta	
1.	Gross Salary	448293	90000	538293
(a).	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961			0
(b).	Value of perquisites under Section 17(2) Income Tax Act, 1961	0	0	0
(c).	Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	0	0	0
2.	Stock Options	0	0	0
3.	Sweat Equity	0	0	0
4.	Commission			
	- as % of profit	0	0	0
	- others, specify....	0	0	0
5.	Others, please specify - Retirals			0
	Total (A)	448293	90000	538293

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty /Punishment /Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. DIRECTORS					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL



“ANNEXURE C”

PARTICULARS REQUIRED UNDER THE COMPANIES ACT – 2013 – U/s 134 (3) (M) READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014.

(DISCLOSURE OF THE PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS)

<u>Total Foreign Exchange Used & Earned</u>		(Rs. In Lacs)	
		<u>2016-2017</u>	<u>2015-2016</u>
Total Foreign Exchange earned	(FOB)	26.91	78.16
Total Foreign Exchange used	(CIF)	40.56	117.23



MANAGEMENT DISCUSSIONS & ANALYSIS REPORT

‘ANNEXURE D’

Present Agriculture Scenario

The country having witnessed record food grain production of 273 million tons during 2016-17, farmers in Madhya Pradesh, Maharashtra and other States have come out with a massive revolt against the system. In Madhya Pradesh death of six farmers in police firing. This is a wake -up call for political leaders and policy-makers of this country. The seething anger in farmers all around the country needs State-specific measures and a collaborative attitude, especially towards the small and marginal farmers.

The biggest problem is fragmentation of land holdings as more than 80 per cent of the farmers are small and marginal with 70 per cent farmers owning an average of 0.15 hectare of land in 2011. As per a Niti Aayog report, 53 per cent of farmers live below the poverty line. About 4.69 crore farmers have taken Rs 12.60 lakh crore of loans. The scarcity of capital at hand for most of the farmer’s results in bad loans and the consequent debt trap is leading to 12,500 farmer suicides annually.

Recently, poor sale price of onion due to bumper production, Farmers were getting only two rupees for a kilogram of onion, which is far below the production cost. The farmers in Madhya Pradesh are suffering a net loss of 15 per cent in paddy and getting a mere two per cent profit from wheat.

The problems of farming are deep-rooted and systemic in nature. Over the years, policies of agriculture and allied sectors lack incisive vision and are cut off from ground reality.

The problem of marketing the produce at prices that will make farming a profitable venture is not possible in present scenario. Archaic policies and lack of innovation is resulting in farmers falling into debt trap even if they produce more.

Farmers are unhappy; because increased production has not been profitable and has led them into a debt trap.

The next problem is the deterioration in soil quality due to the overuse of land as well as fertilizers and pesticides. The best fertilizer, the cow dung, is mostly used by farmers for fuel and when used as manure, it is not processed properly. The problem is compounded by poor transport facilities.

Our Prime Minister said in his speech on the occasion of Independence Day, “Unless we give them facilities from seed to the market, we cannot change their fate. The Government must also review its export and import policy and tune it in favor of the farmers. The existing focus on Agriculture production should be shifted to making farming profitable for farmers. Prime Minister promise of doubling the income of farmers Government to handhold farmers from seeds to markets. Modiji said there would be an India by 2022 where farmers would be able to sleep without any worry and earn double than what they earn now”.

India has plenty of sunshine and rainfall. So our farmers should not suffer the agony of feeding the million at their cost.

Organic Farming.

The global demand for organic products is growing at 20-25 per cent per annum. India’s market itself is growing at 40-50 per cent. The worldwide sales is expected to increase from \$80 billion in 2015 to \$100 billion in 2017.



Ocean Agro India Limited mission for SUSTAINABLE ECO-FRIENDLY FARMING

Ocean Agro recognizes, that increase in production of food items and welfare of farmers are two different things. Ocean Agro will evolve an institutional mechanism for this, which should be run in partnership with local farmers.

The first thing that needs to be done is to introduce farmers' cultivation planning and budgeting at the village level for agriculture and horticulture crops. Farmers will be advised to do planning for the growing of desired crop, based on his soil type, market and preference. Emphasis will be for adopting Organic Farming.

Organic Way by Protecting Environment – Ocean Agro future plan

Ocean agro is also actively working in this field. Our company is trying to solve the serious problem of pesticides and chemical fertilizer pollution. We have products for developing plant immunity, plant strong defense mechanism and sturdy plant growth to fight against pest, fungal, bacterial and viral infection. We have products with high silica which can help to protect plant against herbivore. Our product bind cell walls with calcium which prevent pathogen from entering the cell wall. Our products creates, Systemic acquired. Organically coupled Calcium Phosphate compound produce strong spike, hair and rough surface on the plant surface and protect from Herbivore. Ocean Agro has developed signaling compound which induce self-acquired resistance.

Our Shareholders will appreciate, our noble holly efforts to make our farmer debt free and also protect our precious environment.

a. Industrial Structure and Developments

Before the onset of Green Revolution in the 1960s, organic farming was widely in use, but productivity was low. Excessive use of fertilizers, Toxic Agrochemicals and irrigation during green revolution, soil fertility and ground water quality were impacted very negatively. In the 1980s, farmers revived organic farming and, in the 1990s they discovered new commercial opportunities. In 2001, the Government of India announced a national policy on growth of organic products. With organic farming reviving across India, and the world, the area under such cultivation is expected to increase from 7 lakh hectare (ha) now to 20 lakh ha by 2020. The confirmed area under certified organic farming increased from just 42,000 ha in 2003-04 to 7 lakh ha now. Among the organic crops, the largest area, at 3.8 lakh ha, is under cotton cultivation. Other popular organic agro-products include high-value soybean, fruits and vegetables, cereals and basmati rice, tea, Coffee.

Your Company has been constantly innovating through its persistent efforts in the field of Research & Development. As a result of these R & D efforts, company has been able to regularly introduce new eco-friendly products. As on date, one new products have been developed on pilot scale along with test marketing. In coming two years it will be gradually introduced in the market and will increase company's turnover and profitability considerably.

b. Opportunities and Threats.

To revolutionize the farming technique by educating farmers to adopt Hi-Tech Eco-friendly Farming so as to make farming sustainable. This is possible by using modern communication tools. It is economically viable now by motivating target farmers to practice modern technology to get higher yield with less cost.

In order to keep up with the global competitors that have entered the Indian agricultural market and the wide spread network of Dealers and farmers, the Company is implementing an in-house extension programme for farmers, to try our products which will lead to demand generation.



c. Segment - Wise or Product – Wise performance.

In organic input market, company's soil amendment products and micronutrients are in high demand by farmers. Specialty Bio Fertilizers are also well received. Company's Function specific products have created demand from Cash Crops and horticulture segment.

d. Internal Control System and their adequacy.

The company has adequate internal control systems and procedure with regard to purchase, stores and raw materials including components, plant and machinery, other assets and for sale of goods.

The company has an adequate internal audit system commensurate with size and nature of its business. The company has engaged a firm of Chartered Accountants for its internal audit function. Reports of Internal Auditors are reviewed in the meetings of the Audit Committee of the Board.

e. Material developments in Human resources / Industrial Relations front, including number of people employed.

Industrial relations continued to be harmonious and cordial throughout the year. The Company has always valued its human resources and believes in unlimited potential of the each employee. The company employed 89 number of employees as on 31.03.2017.

f. Discussion on Financial Performance with respect to operational performance.

	(Rs. in Lacs)	
	Year ended 31/03/2017 Rs.	Year ended 31/03/2016 Rs.
Income for the year was	2350.55	2276.14
The year's working shows a Gross Profit of	184.56	188.66
Out of which, Provisions have been made for :-		
Depreciation	31.52	29.46
Provision for Taxation :		
(i) Current Income Tax	24.00	23.50
(ii) Deferred Tax		
Provision for doubtful debts	80.00	100.00
Previous year expenses	0.00	0.00
Profit after Income Tax	49.04	35.70



Independent Auditors' Report

To,
The Members of
OCEAN AGRO (INDIA) LIMITED

1. We have audited the accompanying standalone financial statements of Ocean Agro (India) Limited ('the Company') which comprise the balance sheet as at 31 March 2017, the statement of profit and loss (including other comprehensive income) and the cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

2. Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity 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 relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3. 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 provision of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the standards on auditing specified under section 143(10) of the act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.



4. Qualified Opinion

As confirmed by the company, they have carried out investigation in respect of old outstanding debtors through a management team and taken incentive steps to recover old outstanding debtors and reviving those customers by supply of goods to them. Pursuant to scheme and work carried out by the company, they hope to recover old outstanding dues from old debtors and therefore after a detailed analytical review of recovering the same, a provision of 25% of total outstanding debtors i.e. Rs. 236 Lacs (approx) would be required to be made out of which Rs.80 Lacs is provided as provision of bad and doubtful debts during the year. Company intends to provide Rs.80 Lacs in phased manner of 3 to 5 years with a constant review of debtor's provision vis-a-vis settlement process with the old debtors with new incentives. To that extent Rs.867 Lacs remains unprovided. A sum of Rs.69.73 Lacs is already written off as bad debts out of accumulated provision of Rs.114.23 Lacs leaving balance provision of Rs.44.49 Lacs.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Qualified opinion paragraph, the 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:

- (i) in the case of the balance sheet, of the state of affairs of the Company as at 31 March 2017;
- (ii) in the case of the statement of profit and loss, of the profit for the year ended on that date; and
- (iii) in the case of the cash flow statement, of the cash flows for the year ended on that date.

5. 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 Section 143(11) of the Act. we give in the Annexure A Statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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, statement of profit and loss and 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 the relevant Rule issued thereunder;
 - e. On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 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"; and



- i. "The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
- ii The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- iii The Company is not required to transfer amount to investor education and protection fund.

For Ambalal M. Shah & Co.

Chartered Accountants

CA. Ashok A. Jain
Partner
M. No. 030389

Place : Vadodara
Date : 29th May 2017



ANNEXURE - A TO THE AUDITORS' REPORT (Referred to in Paragraph (1) of our report of even date)

The Annexure referred to in our report to the members of Ocean Agro (India) Limited ('the Company') for the year ended 31 March 2017. We report that:

- I. In respect of its fixed assets -
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) The Company has a regular program of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets..
 - 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 are held in the name of the Company.
- II
 - a) As explained to us, the inventories have been physically verified at reasonable intervals by the management during the year. In respect of substantial portion of the stock lying with agents, Certificates containing details of stock have been received.
 - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate as regards the size of the company and the nature of its business..
 - c) In our opinion and according to the information and explanations given to us, the company is maintaining proper records of its inventories and no material discrepancies were noticed on physical verification.
- III In respect of loans, secured or unsecured the company has granted advances for business to a company, firms and other parties covered in the register maintained under section 189 of the act. The total of the year end balance was Rs. 46,54,172.47 Credit.
 - a) In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the bodies corporate listed in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interest of the Company
 - b) In the case of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of the principal and interest as stipulated.
 - c) There are no overdue amounts in respect of the loan granted to a body corporate listed in the register maintained under section 189 of the Act.
- IV In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.

Contd



- V The Company has not accepted any deposits from the public.
- VI The cost records specified by the Central Government under Section 148(1) of the Companies Act, 2013 in respect of its products not required to maintain.
- VII In respect of statutory dues:
- a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.
- b) According to the information and explanations given to us, there are no dues of duty of customs which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of income tax and sales tax have not been deposited by the Company on account of disputes:

Sr. No.	Year	Liability	Amount Rs.	Status
1	A.Y 2000 - 2001	Income Tax	7,19,311	Appeal pending with High Court. Ahmedabad
2	A.Y 2007 - 2008	C.S.T	2,75,804	Appeal pending with Commercial Tax Officer, Ghatak (II) Vadodara.

- VIII The Company has not defaulted in repayment of dues to banks and financial institutions during the year. The Company has not issued any debentures during the year.
- IX The company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans were applied for the purposes for which those are raised during the year.
- X According to the information and explanation 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 course of our audit.
- XI According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- XII In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- XIII According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.



- XIV According to the information and explanations give 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.
- XV According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- XVI The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Ambalal M. Shah & Co.

Chartered Accountants

Place : Vadodara
Date : 29th May 2017

CA. Ashok A. Jain
Partner
M. No. 030389



Annexure - B to the Auditors' Report

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 Ocean Agro (India) Limited ("the Company") as of 31 March 2017 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 ('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.

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 judgment, including the assessment of the risks of material misstatement of the Standalone 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 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 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 31 March 2017, 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.



BALANCE SHEET AS AT 31st March 2017

Particulars	Notes No.	As at	
		31/03/2017 Rupees	31/03/2016 Rupees
I EQUITY AND LIABILITIES			
1 Shareholder's Funds			
(a) Share Capital	1	75,871,545.00	75,871,545.00
(b) Reserve & Surplus	2	165,479,245.12	160,574,549.71
(c) Money received against share warrants		0.00	0.00
		241,350,790.12	236,446,094.71
2 Share application money pending allotment		0.00	0.00
3 Non-Current Liabilities			
(a) Long-term borrowings	3	841,211.95	423,190.55
(b) Deferred tax liabilities (Net)		0.00	0.00
(c) Other Long term liabilities	4	6,281,619.73	6,389,269.73
(d) Long term provisions		0.00	0.00
		7,122,831.68	6,812,460.28
4 Current Liabilities			
(a) Short-term borrowings	5	34,714,635.64	34,849,651.64
(b) Trade payables	6	6,389,002.98	3,797,106.99
(c) Other current liabilities	7	2,199,347.36	2,198,059.42
(d) Short-term Provision	8	8,585,022.70	7,489,554.70
		51,888,008.68	48,334,372.75
Total		300,361,630.48	291,592,927.74
II Assets			
Non-Current assets			
1 (a) Fixed Assets :			
(i) Tangible assets	9	52,186,520.52	50,052,143.51
(ii) Intangible assets	10	0.00	0.00
(iii) Capital work-in-progress		0.00	0.00
(iv) Intangible assets under development		0.00	0.00
		52,186,520.52	50,052,143.51
(b) Non-Current Investments in fully owned Ocean Agro LLC	11	56,206,303.00	52,150,427.00
(c) Deferred Tax assets (Net)	12	0.00	0.00
(d) Long-term loans and advances	13	10,324,563.50	10,774,236.49
(e) Other Non-Current assets		0.00	0.00
2 Current assets			
(a) Current Investments		0.00	0.00
(a) Inventories	14	42,305,341.00	39,581,432.00
(b) Trade receivables	15	133,274,374.67	134,442,931.71
(c) Cash & Cash equivalents	16	6,022,653.79	4,545,830.03
(d) Short term loans and advances		0.00	0.00
(f) Other current assets	17	41,874.00	45,927.00
		181,644,243.46	178,616,120.74
Total		300,361,630.48	291,592,927.74

As per our Report of even date
Ambalal M. Shah & Co.
Chartered Accountants

For Ocean Agro (India) limited

CA. Ashok A. Jain
Partner
M. No. 030389
Place : Vadodara
Date : 29th May 2017

K.B. Parikh
Managing Director

M.D. Patel
Jt. Managing Director

Place : Vadodara
Date : 29th May 2017



PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st March 2017

Particulars	Notes No.	As at	
		31/03/2017	31/03/2016
		Rupees	Rupees
I Revenue from operations	18	235,055,279.91	227,614,328.27
II Other Income	19	56,337.12	138,022.48
III Total Revenue (I + II)		235,111,617.03	227,752,350.75
IV Expenses :			
Cost of Material Consumed	20	55,329,759.10	56,768,500.98
Purchase of stock-in-Trade	21	0.00	0.00
Changes in inventories of finished goods work-in-progress and stock trade	21	(2,499,125.00)	(172,185.00)
Employee benefits expense	22	21,351,473.00	21,845,300.00
		74,182,107.10	78,441,615.98
V Finance costs	23	5,115,343.51	5,098,255.54
VI Depreciation and amortization expense	24	3,151,503.69	2,946,013.25
VII Other Expense	25	137,357,967.32	125,346,193.52
Total Expense		219,806,921.62	211,832,078.29
VIII Profit before exceptional and extraordinary items and tax (III - VII)		15,304,695.41	15,920,272.46
IX Exceptional Items	26	8,000,000.00	10,000,000.00
X Profit before extraordinary items and tax (VIII - IX)		7,304,695.41	5,920,272.46
XI Extraordinary Items		0.00	0.00
XII Profit before Tax (X - XI)		7,304,695.41	5,920,272.46
XIII Tax expense:			
(1) Current Tax		2,400,000.00	2,350,000.00
(2) Deferred Tax		0.00	0.00
		2,400,000.00	2,350,000.00
XIV Profit (Loss) for the period from continuing operations (XII - XIII)		4,904,695.41	3,570,272.46
XV Profit/(Loss) form discontinuing operations		0.00	0.00
XVI Tax Expense of discontinuing operations		0.00	0.00
XVII Profit/(Loss) from discontinuing operations (after tax) (XV - XVI)		0.00	0.00
XVIII Profit (Loss) for the period (XIV+ XVII)		4,904,695.41	3,570,272.46
XVIII Earnings per equity share :			
(1) Basic			0.73
(2) Diluted			0.00

As per our Report of even date
Ambalal M. Shah & Co.
Chartered Accountants

For Ocean Agro (India) limited

CA. Ashok A. Jain

Partner

M. No. 030389

Place : Vadodara

Date : 29th May 2017

K.B. Parikh
Managing Director

M.D. Patel
Jt. Managing Director

Place : Vadodara

Date : 29th May 2017



Note 1 : Share Capital

Particulars	As at 31/03/2017		As at 31/03/2016
	Rupees	Rupees	Rupees
AUTHORISED :			
2,99,70,000 Equity Shares of Rs. 10/- each		299,700,000.00	299,700,000.00
30,000 Non-cumulative 10% Redeemable Preference Shares of Rs. 10/- each		300,000.00	300,000.00
		300,000,000.00	300,000,000.00
ISSUED, SUBSCRIBED AND PAID UP :			
ISSUED & SUBSCRIBED :			
84,37,900 Equity Shares of Rs.10/- each		84,379,000.00	84,379,000.00
		84,379,000.00	84,379,000.00
PAID UP SHARE CAPITAL :			
67,44,900 Equity Shares of Rs.10/- each Fully paid up	67,449,000.00		67,449,000.00
Paid-up amount on Shares Forfeited	8,384,500.00		8,384,500.00
Excess Paid-up amount on Forfeited Shares	38,045.00		38,045.00
		75,871,545.00	75,871,545.00

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each Shareholder is eligible for one vote per share. The dividend proposed by the Board of Directors is subject to the approval of shareholders, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

Note 1 : (a) Details of Share holders holding more than 5% Share in the Company

Name of Shareholders	As at 31/03/2017		As at 31/03/2016	
	No of Shares held	% of holding	No of Shares held	% of holding
Kaushik Babubhai Parikh	2,983,826.00	44.24	2,983,826.00	44.24
Om Pesticides (Nandesari) Pvt. Ltd.	544,285.00	8.07	544,285.00	8.07
Associated Manufacutring (Rania) Pvt. Ltd.	94,070.00	1.39	94,070.00	1.39
Ushaben K. Parikh	345,042.00	5.12	345,042.00	5.12



Note 2 : RESERVE & SURPLUS :

Particulars	As at 31/03/2017	As at 31/03/2016
	Rupees	Rupees
CAPITAL RESERVE	0.00	0.00
CAPITAL REDUMPTION RESERVE	0.00	0.00
Add : Profit/(Loss) during the Year		0.00
SECURITIES PREMIUM ACCOUNT		
Share Premium on Shares	148,487,534.00	148,487,534.00
Share Premium on Forfeited Shares	0.00	0.00
Excess Premium received on Shares	0.00	0.00
	148,487,534.00	148,487,534.00
GENERAL RESERVE :		
Opening Balance	11,903,474.91	11,903,474.91
Additions during the Year	0.00	0.00
	11,903,474.91	11,903,474.91
SURPLUS/(DEFICIT) IN THE STATEMENT OF PROFIT AND LOSS		
Balance as per last financial statements	183,540.80	(3,386,731.66)
Profit for the year	4,904,695.41	3,570,272.46
NET SURPLUS IN THE STATEMENT OF PROFIT AND LOSS	5,088,236.22	183,540.80
TOTAL RESERVE AND SURPLUS	165,479,242.12	160,574,549.71

Note 3 : Long term borrowing

Particulars	As at 31/03/2017	As at 31/03/2016
	Rupees	Rupees
Secured Loan		
Loan against FDR / H.D.F.C / BOB	841,211.95	423,190.55
Loans & Advances Received	0.00	0.00
	841,211.95	423,190.55

Loan from Bank of Baroda against vehicle, repayable starting from Aug-2016 for 36 month.

Note 4 : Other Long Term Liabilities

Particulars	As at 31/03/2017	As at 31/03/2016
	Rupees	Rupees
Dealers' Deposits	6,281,619.73	6,389,269.73
	6,281,619.73	6,389,269.73



Note 5 : Short-Term Borrowings

Particulars	As at	
	31/03/2017	31/03/2016
	Rupees	Rupees
Bank of Baroda Cash Credit Account	34,714,635.64	34,849,651.64
	34,714,635.64	34,849,651.64

Cash Credit from Bank of Baroda Carry interest @12.05% to 12.65% p.a. The C.C. is secured against charge of inventory book debt advances plot of lease hold land. Further the loan has been guaranteed by the personal guarantee of director Kaushik Babubhai Parikh, Manhar Dayalji bhai Patel.

Note 6 : Trade Payable

Particulars	As at	
	31/03/2017	31/03/2016
	Rupees	Rupees
CURRENT LIABILITIES		
Creditors for Goods	5,779,824.36	3,501,232.26
Creditors for Expenses	609,178.62	295,874.73
	6,389,002.98	3,797,106.99

Note 7 : Other Current Liabilities

Particulars	As at	
	31/03/2017	31/03/2016
	Rupees	Rupees
Other Payable :		
Statutory due	1,906,152.06	1,960,414.12
Other	293,195.30	237,645.30
	2,199,347.36	2,198,059.42

Note 8 : Short term Provision

Particulars	As at	
	31/03/2017	31/03/2016
	Rupees	Rupees
PROVISIONS :		
Provision for doubtful debts	4,449,735.20	3,423,465.20
Other Provisions	1,735,287.50	1,716,089.50
Provision for Income-tax	2,400,000.00	2,350,000.00
	8,585,022.70	7,489,554.70



Note 9 : Tangible Assets

Particulars	As at 31/03/2017		As at 31/03/2016	
	Rupees		Rupees	
Opening balance	213,250,457.03		208,961,191.81	
Add :Additions during the Period	5,285,681.00		4,289,265.88	
Less :Deductions during the period	486,520.00		0.00	
Gross Block	218,049,818.03		213,250,457.69	
Depreciation upto prv. year	163,198,314.18		160,252,300.93	
Less :Deductions Written back	486,520.00		0.00	
Add :Depreciation for the Period	3,151,503.69		2,946,013.25	
	165,863,297.86		163,198,314.18	
Net Block	52,186,520.17		50,052,143.51	

Note 9 : Tangible Assets

Particulars	GROSS BLOCK			DEPRECIATION				NET BLOCK	
	Op. Balance as on 31/03/2016	Adtn./(Dedn.) during the Year	Total as on 31/03/2017	Op. Balance as on 31/03/2016	Ddn/Adjst during the year	Provided during the year	Total as on 31/03/2017	Cl. Balance as on 31/03/2017	Cl. Balance as on 31/03/2016
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Leasehold Land	6,741,913.00	0.00	6,741,913.00	0.00	0.00	0.00	0.00	6,741,913.00	6,741,913.00
Buildings	39,284,992.51	550,189.00	39,835,181.51	25,636,058.73	0.00	1,316,084.62	26,952,143.36	12,883,038.15	13,648,933.78
Plant & Machinery	143,162,571.31	3,088,397.00	146,250,968.31	117,674,662.12	0.00	1,128,256.71	118,802,918.83	27,448,049.48	25,487,909.19
Furniture & Fixtures	4,583,982.29	0.00	4,583,982.29	4,580,552.57	0.00	0.00	4,580,552.57	3429.72	3,429.72
Vehicles	10,096,319.36	811,455.00	10,907,774.36	8,219,890.47	486,520.00	4,79,862.81	8,213,233.29	2,694,541.07	1,876,428.89
Office Equipment	2,862,513.24	101,235.00	2,963,748.24	2,465,155.73	0.00	114,674.71	2,579,830.43	383,917.81	397,357.51
Eqp. under Testing	1,158,200.00	0.00	1,158,200.00	0.00	0.00	0.00	0.00	1,158,200.00	1,158,200.00
Computer Software	5,359,965.98	2,48,085.00	5,608,050.98	4,621,995.22	0.00	112,624.83	4,734,620.05	873,430.93	737,970.76
TOTAL	213,250,457.69	4,799,361.00	218,049,818.69	163,198,314.84	486,520.00	3,151,503.69	165,863,298.52	52,186,520.17	50,052,142.85
Previous Year's Total	208,961,191.81	4,289,265.00	213,250,457.69	160,252,301.59	0.00	2,946,013.25	163,198,314.84	50,052,143.51	

Note 11 : Non Current Investments

Particulars	As at 31/03/2017		As at 31/03/2016	
	Rupees		Rupees	
Trade Investment				
Investment in Subsidiary fully owned Ocean Agro LLC	56,206,303.00		52,150,427.00	
	56,206,303.00		52,150,427.00	

Company has established with name ' OCEAN AGRO LLC ' 100% fully owned subsidiary company. Company has transferred US \$ 9,36,000. For that shares yet to be issued.



Note 12 : Deferred Tax assets (Net)

Particulars	As at 31/03/2017		As at 31/03/2016	
	Rupees	Rupees	Rupees	Rupees
Deferred Tax Liabilities				
Provision for doubtful debts and advances	0.00		0.00	
Other Provision	0.00		0.00	
		0.00	0.00	

Note 13 : Long-term Loans and Advances

Particulars	As at 31/03/2017		As at 31/03/2016	
	Rupees	Rupees	Rupees	Rupees
Capital advances				
Secured, Considered Good	0.00		0.00	
Unsecured, Considered Good	0.00		0.00	
Total : A		0.00	0.00	
Security deposit				
Secured, Considered Good	0.00		0.00	
Unsecured, Considered Good	1,879,464.27		1,803,574.27	
Provision for doubtful security deposit	0.00		0.00	
Total : B		1,879,464.27	1,803,574.27	
Loan and advances to related parties				
Unsecured, Considered Good	0.00		0.00	
Total : C		0.00	0.00	
Advances recoverable in cash or kind				
Secured, Considered Good	0.00		0.00	
Unsecured, Considered Good	8,445,099.23		8,970,662.22	
Provision for doubtful advances	0.00		0.00	
Total : D		8,445,099.23	8,970,662.22	
Other loans and advances				
Advance income-tax (net of provision for taxation)	0.00		0.00	
Prepaid expenses	0.00		0.00	
Loans to employees	0.00		0.00	
Balances with statutory/government authorities	0.00		0.00	
Total : E		0.00	0.00	
		10,324,563.50	10,774,236.49	

Note 14 : Inventories

Particulars	As at 31/03/2017		As at 31/03/2016	
	Rupees	Rupees	Rupees	Rupees
INVENTORY :				
(as taken, valued & certified by the management)				
Closing Stock of Finished Goods (at cost)	29,314,887.00		28,815,762.00	
Closing Stock of Raw Material (at cost)	5,280,586.00		5,619,288.00	
Closing Stock of Packing Material (at cost)	7,709,868.00		7,146,382.00	
		42,305,341.00	39,581,432.00	



Note 15 : Trade receivables and other assets

Particulars	As at 31/03/2017		As at 31/03/2016
	Rupees	Rupees	Rupees
Outstanding for a period exceeding six months from the date they are due for payment			
Secured, Considered Good	105,269,533.67		109,970,414.47
Unsecured, Considered Good	0.00		0.00
Doubtful	0.00		0.00
		105,269,533.67	109,970,414.47
Less : Provision for doubtful receivable	0.00		0.00
		105,269,533.67	109,970,414.47
Other Receivable			
Secured, Considered Good			
Unsecured, Considered Good	0.00		0.00
Doubtful	28,004,841.00		24,472,517.24
	0.00		0.00
		28,004,841.00	24,472,517.24
Less : Provision for doubtful receivable	0.00		0.00
		28,004,841.00	24,472,517.24
		133,274,374.67	134,442,931.71

Note 16 : Cash & Cash equivalents

Particulars	As at 31/03/2017		As at 31/03/2016
	Rupees	Rupees	Rupees
CASH & BANK BALANCES :			
On Current accounts	5,460,624.47		4,015,629.71
Deposit with original maturity of less than 3 months	0.00		0.00
Cash on Hand	562,029.32		530,200.32
		6,022,653.79	4,545,830.03

Note 17 : Other Assets

Particulars	As at 31/03/2017		As at 31/03/2016
	Rupees	Rupees	Rupees
Interest accrued on fixed deposits	0.00		0.00
Interest accrued on Investment	0.00		0.00
Others	41,874.00		45,927.00
		41,874.00	45,927.00



Note 18 : Revenue from Operations

Particulars	As at 31/03/2017		As at 31/03/2016
	Rupees	Rupees	Rupees
Revenue from operation			
Sales of Products			
Finished Goods	0.00		0.00
Trade Goods			
Domestic Sales	229,374,786.96		218,899,310.65
Export Sales	5,680,492.95		8,715,017.62
Revenue from operation (Gross)	235,055,279.91		227,614,328.27
Less : Excise Duty	0.00		0.00
Revenue from operation (Net)		235,055,279.91	227,614,328.27

Note 19 : Other Income

Particulars	As at 31/03/2017		As at 31/03/2016
	Rupees	Rupees	Rupees
Interest Income on			
Bank deposits	0.00		0.00
Long-term Investments	0.00		0.00
Current Investment	0.00		0.00
Dividend income on	0.00		0.00
Other non-operating income			
Income from Sale of Assets	75,419.00		0.00
Misc. Income	(19,081.88)		138,022.48
		56,337.12	138,022.48

Note 20 : Cost of Material Consumed

Particulars	As at 31/03/2017		As at 31/03/2016
	Rupees	Rupees	Rupees
RAW MATERIAL :			
Opening Stock	5,619,288.00		5,624,048.00
Add : Purchases	42,024,254.61		46,177,865.64
Add : Purchase Tax	0.00		0.00
	<u>47,643,542.61</u>		<u>51,801,913.64</u>
Less : Closing Stock	5,280,586.00		5,619,288.00
		42,362,956.61	46,182,625.64
PACKING MATERIALS :			
Opening Stock	7,124,938.00		6,738,792.00
Add : Purchases	13,255,314.49		10,808,931.34
	<u>20,380,252.49</u>		<u>17,547,723.34</u>
Less : Closing Stock	7,666,795.00		7,124,938.00
		12,713,457.49	10,422,785.34
PRINTING INK :			
Opening Stock	21,444.00		24,498.00
Add : Purchases	274,974.00		160,036.00
	<u>296,418.00</u>		<u>184,534.00</u>
Less : Closing Stock	43,073.00		21,444.00
		253,345.00	163,090.00
Add : FINISHED GOODS :		0.00	0.00
		55,329,759.10	56,768,500.98



Note 21 : Changes in Inventories of Finished Goods Work-In-Progress and Stock Trade

Particulars	As at 31/03/2017		As at 31/03/2016
	Rupees	Rupees	Rupees
Inventories at the end of the year			
Traded goods	0.00		0.00
Work in progress	0.00		0.00
Finished Goods	27,261,684.00		24,762,559.00
Inventories at the beginning of the year			
Traded goods	0.00		0.00
Work in progress	0.00		0.00
Finished Goods	24,762,559.00		24,590,374.00
		(2,499,125.00)	(172,185.00)

Note 22 : Employee benefit expenses

Particulars	As at 31/03/2017		As at 31/03/2016
	Rupees	Rupees	Rupees
Salaries	2,959,167.00		2,682,734.00
Wages Paid	3,386,394.00		4,390,613.00
Directors' Remuneration	5,994,000.00		5,994,000.00
Administrative Charges to E.P.F.	100,505.00		90,387.00
Company's Contribution to E.S.I.C.	241,667.00		290,022.00
Company's Contribution to E.D.L.I.	53,062.00		52,518.00
Company's Contribution to E.P.F.	248,564.00		235,323.00
Company's Contribution to F.P.F.	421,656.00		428,273.00
Company's Contribution to LWF	0.00		0.00
Conveyance Allowance	396,727.00		340,771.00
Medical Reimbursement	75,261.00		70,274.00
Rent Allowance	214,912.00		185,859.00
Employees Welfare Fund	872,845.00		775,012.00
Incentive to Staff	2,096,240.00		1,853,296.00
Incentive to Workers	1,221,581.00		971,859.00
Incentive	0.00		0.00
Overtime	0.00		0.00
Stipend Paid	157,510.00		148,611.00
Bonus	2,160,359.00		1,856,837.00
Exgratia	438,740.00		422,521.00
Gratuity	242,181.00		831,324.00
Leave Encashment	70,102.00		225,066.00
		21,351,473.00	21,845,300.00



Note 23 : Finance Cost

Particulars	As at 31/03/2017		As at 31/03/2016
	Rupees	Rupees	Rupees
Bank Interest	4,539,368.14		4,624,008.19
Bank Charges	417,774.37		296,096.35
Interest to Others	158,201.00		178,151.00
Exchange difference	0.00		0.00
		5,115,343.51	5,098,255.54

Note 24 : Depreciation and Amortization Expense

Particulars	As at 31/03/2017		As at 31/03/2016
	Rupees	Rupees	Rupees
Depreciation of tangible assets	3,151,503.69		2,946,013.25
Amortization of intangible assets	0.00		0.00
Depreciation of Investment property	0.00		0.00
Less : recoupmnt for revaluation reserve	0.00		0.00
		3,151,503.69	2,946,013.25

Note 25 :Other Expense

Particulars	As at 31/03/2017		As at 31/03/2016
	Rupees	Rupees	Rupees
Consultation Charges	37,16,562.00		2,960,711.00
Consultation Charges – Excise	2000.00		0.00
Consumable Stores	6,45,537.00		299,654.00
Conveyance Expense	1,38,548.00		102,763.00
Design / Art work	18,640.00		0.00
Donation	1,501.00		50,000.00
Electricity	28,18,627.00		2,993,583.74
Excise Paid	1,23,17076.00		12,247,781.00
FBT Expenses	0.00		0.00
Food & Beverages	2,92,468.00		350,551.00
Freight	74,77,400.00		7,322,788.00
General Expenses	59,357.02		65,560.79
Hardware & Electricals	5,86,082.00		593,837.00
Insurance	352,435.00		331,931.00
Internet charges	805.00		0.00
Laboratory Expenses	194,839.98		181,518.02
Labour Charges	4,29,258.00		218,300.00
Legal Charges	480,725.00		22,470.00
Liaison Expenses	341,500.00		180,000.00
License Fees	120,178.50		0.00
Medical Expense	156,849.00		153,373.00
Weighing charges	27,900.00		28,050.00

Cont.. (P.T.O)



Note 25 :Other Expense (Contd.....)

Particulars	As at 31/03/2017		As at 31/03/2016
	Rupees	Rupees	Rupees
Office Expenses	990,594.00		826,398.00
Processing Expenses	0.00		0.00
Rates & Taxes	2,628,769.00		738,392.00
Rent Expenses	54,000.00		54,000.00
Repairs & Maint. to Plant & Machinery	1,096,909.00		1,095,913.00
Repairs to Building	853,923.00		575,325.00
Repairs to Others	457,285.00		149,337.00
Sales Tax Paid	18,347.00		51,429.00
Repairs to Cars	202,546.00		186,291.00
Repairs to Vehicle	5,380.00		15,168.00
Service Tax	650,827.00		614,179.00
Stationery & Printing	515,131.00		496,834.00
Stores & Spares	81,446.00		53,871.00
Subscription and Periodicals	30,262.00		21,192.00
Telephone/Trunkcall/Postage	755,121.17		745,318.87
Travelling	84,253.00		76,846.00
Water	123,125.00		72,846.00
Web Charges	1250.00		0.00
Membership fees	396,253.00		333,760.00
Petrol to Cars	735,004.00		663,100.00
Petrol to Motorcycles	147,269.00		155,962.00
Typing & Duplicating	12,775.00		26,954.00
Bad Debts Written off	0.00		0.00
Previous Years Expenses	(194,162.89)		0.00
Audit Fees	347,225.00		376,036.00
Marketing Expenses	14,197,687.80		12,769,612.70
Sales Distribution Expenses	35,582,914.00		32,432,050.00
Forwarding Expenses	18,167,937.45		16,596,710.75
Advertising Expenses	354,111.00		45,522.00
Deferred Revenue Exp. Written off	0.00		0.00
Product Incentive Expenses	0.00		0.00
Commission	3,914,185.00		3,724,445.00
Sales Discount	24,969,312.29		24,345,829.65
		137,357,967.32	125,346,193.52

Note 25 : (a) Other Expense

Particulars	As at 31/03/2017		As at 31/03/2016
	Rupees	Rupees	Rupees
Payment to auditor			
As auditor			
Audit Fees	347,225.00		294,168.00
Tax Audit Fee	0.00		81,868.00
Limited review	0.00		0.00
In other Capacity			
Taxation Matters	0.00		0.00
Company Law matters	0.00		0.00
Management Services	0.00		0.00
Other Services	0.00		0.00
		347,225.00	376,036.00



Note 26 : Bad debt provision & Written off

Particulars	As at 31/03/2017	As at 31/03/2016
Bad debt written off	0.00	8,427,173.73
Less : Transfer from Provision for doubtful debt	0.00	8,427,173.73
Add : Provision for the year	8,000,000.00	10,000,000.00
Less : Excess Provision written off	0.00	0.00
	8,000,000.00	10,000,000.00

Note 27

1. Significant Accounting Policies:

1.1 System of Accounting:

- Financial Statements are based on historical cost. These costs are not adjusted to reflect the impact of the changing value in the Purchasing Power of money.
- The Company follows the mercantile system of accounting and recognises income and expenditure on an accrual basis, except interest on margin money deposit with Bank of Baroda, and Gratuity.

1.2 Revenue Recognition:

Sales are inclusive of Excise Duty and are net of Trade Discounts and sales returns.

1.3 Fixed Assets:

Fixed Assets are carried at cost of acquisition/installation. Fixed Assets are shown net of accumulated depreciation and amortised amount (except on Leasehold Land). Cost includes related taxes, duties, freight, insurance etc. attributable to acquisition and installation of assets and borrowing cost incurred upto the date of commencing operations, but excludes duties and taxes that are recoverable subsequently from taxing authorities.

1.4 Depreciation:

Depreciation on all the assets is being provided on "Straight Line Method" in accordance with the method prescribed in schedule II of the company act 2013. Depreciation on additions during the year is being provided on pro-rata. Plant & Machinery which were not put to use during the year were not considered for the purpose of depreciation. The same would be considered for depreciation as and when the said machinery would be put to use again. During the year no depreciation has been provided on slow moving items.

1.5 Inventories:

- Raw Materials & Packing Materials are valued at cost. Cost is arrived at on FIFO basis. However, as per AS-2 issued by ICAI, stock should be valued at cost or net realisable value whichever is lower. According to the management, there are no items having realisable value less than the cost.
- Materials in Process are not valued.
- Finished goods are valued at cost. Cost is arrived at considering direct material, direct labour and direct factory overheads. Finished stocks lying in the factory are valued exclusive of excise duty except the stocks lying in Duty Paid Godowns and Company's C & F distributors which are valued inclusive of excise duty.
- At present Stores, Machinery Spares are charged to revenue as and when purchased.



1.6 Retirement Benefits:

Company's contribution to Provident Fund and ESIC are charged to Profit & Loss Account. Gratuity is charged to P&L a/c on actual payment basis and not on actuarial valuation as at year end as against AS-15 "Accounting for retirement Benefits".

1.7 Borrowing Cost:

Borrowing costs attributable to the acquisition or construction of qualifying assets are capitalized as required by AS-16 "Borrowing Costs".

During the year, there are no borrowing cost attributable to the acquisition of qualifying assets that are required to be capitalized. Hence all borrowing cost have been charged to revenue.

1.8 Taxation:

"Provision for current tax is made based on the liability computed in accordance with the relevant tax rates and tax laws.

Deferred tax assets are recognized only if there is a virtual certainty that they will be realized and reviewed for the appropriateness of their carrying values at each Balance Sheet date."

2. As confirmed by the company, they have carried out investigation in respect of old outstanding debtors through a management team and taken incentive steps to recover old outstanding debtors and reviving those customers by supply of goods to them. Pursuant to scheme and work carried out by the company, they hope to recover old outstanding dues from old debtors and therefore after a detailed analytical review of recovering the same, a provision of 25% of total outstanding debtors i.e. Rs. 236 Lacs (approx) would be required to be made out of which Rs.80 Lacs is provided as provision of bad and doubtful debts during the year. Company intends to provide Rs.80 Lacs in phased manner of 3 to 5 years with a constant review of debtor's provision vis-a -vis settlement process with the old debtors with new incentives .To that extent Rs.867 Lacs remains unprovided. A sum of Rs.69.73 Lacs is already written off as bad debts out of accumulated provision of Rs.114.23 Lacs leaving balance provision of Rs.44.49 Lacs.
3. Cost of material is not netted by Cenvat credit. Payment of net excise debited to excised expenses.
4. In the opinion of directors, the net realizable value of current assets sold in ordinary course of business is not less than the market value.
5. Some debtors, creditors, loans & advances, bank deposits are subject to confirmation and reconciliation.
6. **Contingent Liabilities:**
There are no contingent liabilities as certified by the Directors.
7. Claims against the Company not acknowledged as debts (estimated):

	2016-17	2015-16
i) In respect of Labour Matters	nil	Nil
ii) Other Claims	nil	Nil

8. a) The company has identified the suppliers who are covered under the Interest on Delayed Payments to Small Scale and Ancillary Industrial Undertakings Act, 1993. The liability under the said Act on account of interest is not ascertained as at 31 March 2017. However, no claims have been received for interest from suppliers with reference to the above Act.
- b) There are no small scale industrial undertakings to whom the company owes a sum which is outstanding as per terms of contract agreed for more than 30 days as at Balance Sheet date.



9. Auditors Remuneration:

	As at 31/03/2017	As at 31/03/2016
i) As audit fees	265,000.00	294,168.00
ii) As Tax audit fees	82,225.00	81,868.00
Total	347,225.00	376,036.00

10. Remuneration to Managing Director & Jt. Managing Director - half & equal to each (exclusive of contribution to Gratuity Fund on Actual valuation).

	As at 31/03/2017	As at 31/03/2016
Salaries	6,804,000.00	6,804,000.00
Contribution to Provident & Superannuation funds	0.00	0.00
	6,804,000.00	6,804,000.00

- i) Remuneration paid to Managing Director and Joint Managing Director is computed as per the provisions of Section 197 of the Companies Act, 2013.
- ii) As per the terms of appointment applicable during the year, no amount is payable to the Managing Director and Joint Managing Director as Commission.

11. Provision for Deferred Tax:

In accordance with As-22 on 'Accounting for tax on income' issued by ICAI, the net deferred tax as on 31.03.2017 is as follows :

Particulars	As at 31/03/2017		As at 31/03/2016	
	Assets	Liabilities	Assets	Liabilities
Depreciation	1,614,074.00	-	1,697,932.00	-
Deferred Revenue expenditure	0.00	-	0.00	-
Provision for bad & doubtful	0.00	-	0.00	-
Total	1,614,074.00	-	1,6,97,932.00	-

12. Segment Reporting:

Considering the organization structure, nature of Products and risk and return profile based on geographical distribution, the agro chemicals business is considered as a single segment in accordance with AS-17 "Segment Reporting".

13. Related Party Disclosure:

a) Related Parties:

- | | |
|--------------------------------|--|
| i) Subsidiaries of the Company | Ocean Agro LLC |
| ii) Other related parties | Industrial Additives |
| iii) Key Management Personnel | Mr. Kaushik B. Parikh (MD)
Mr. Manhar D. Patel (Jt. MD) |



- b) The following transactions were carried out during the year with the related parties in the ordinary course of business:

	Other related parties	
	2016-17	2015-16
Transactions		
Material purchased (Industrial Additives)	13,960,708.00	16,199,027.00
Goods Sold (Ocean Agro LLc)	5,680,492.95	7,067,382.62
Amount due to / from related parties		
Advances due	(4,654,172.47)	(4,493,464.47)

The remuneration of key management personnel is shown in Note no. 12.

14. Expenditure in foreign currency:

	2016-17	2015-16
Interest	0.00	0.00
Travel	0.00	0.00
Other	0.00	0.00

15. Disclosure as required under clause 32 of listing agreement

- i) Loans and Advances in the nature of loans to Firms/Companies in which Directors are interested - Rs. Nil (Previous Year - Rs. Nil)
- ii) Investment by the loanee in the shares of the Company as on 31 March 2017 is nil (Previous Year - nil)

16. Production, Sales and Stocks of each class of manufactured Goods / Traded Goods :

Class of goods	Licensed / Inst. Cap. MT	Opening Stock MT	Production MT	Purchases MT	Closing Stock MT	Gross Sales MT	Sales Value (Rs. In lacs)
Plastic Division:							
Valve Type Bags	800.00	0.00	0.00	0.00	0.00	0.00	0.00
Guesseted Bags	120.00	0.00	0.00	0.00	0.00	0.00	0.00
Blow Moulding Items	150.00	0.00	32.25	0.00	0.00	32.25	0.00
Injection Moulding Items	90.00	0.00	12.03	0.00	0.00	12.03	0.00
Other Products	600.00	0.00	4.33	0.00	0.00	4.33	0.00
							0.00
Irrigation Division:							
Irrigation Division	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Bio-Stimulants:							
Liquid	600.00	149.10	439.01	0.00	174.68	413.44	1,182.20
Solid	1,200.00	101.09	1,340.08	0.00	122.62	1,318.55	419.15
Bio Fertilizers	3,600.00	185.78	2,157.95	0.00	184.49	2,159.25	749.22
Fertilizer(modif.Fly Ashbase)	2,500.00	6.95	0.00	0.00	5.95	1.00	0.00
Other							
							2,350.57
Grand Total							2,350.57



17. Raw Materials Consumed

Particulars	2016-17		2015-16	
	Qty. MT	Value Rs.	Qty. MT	Value Rs.
Granules	2,196.95	30,79,783.33	2,280.09	4,223,518.95
Neem Oil	4.58	5,53,035.00	3.40	339,150.00
Ferrous Sulphate	100.21	6,41,819.43	89.76	527,812.32
D-oil Cake	132.76	6,39,836.82	143.53	881,633.03
Others		37,448,482.03		40,210,511.35
Total		42,362,956.61		46,182,625.64

18. Value of Imported / Indigenous Raw Materials/Stores and spares consumed

Particulars	2016-17		2015-16	
	%	Value (Rs.)	%	Value (Rs.)
Raw Materials				
Imported	Nil	0.00	Nil	0.00
Indigenous	100%	42,362,956.61	100%	46,182,625.64
	100%	42,362,956.61	100%	46,182,625.64
Stores and Spares				
Imported	Nil	0.00	Nil	0.00
Indigenous	100%	81646.00	100%	53,871.00
	100%	81446.00	100%	53,871.00



19. Balance Sheet Abstract and Company's General Business Profile

I. Registration Details

Registration No.	13922	State Code	04
Balance Sheet Date	31st March 2017		

II. Capital raised during the year

(Amount Rs. Thousands)

Public Issue	NIL	Rights Issue	NIL
Bonus Issue	NIL	Private Placement	NIL

III. Position of Mobilisation and Deployment of Funds

Total Liabilities	300,361,630.48	Total Assets	300,361,630.48
-------------------	----------------	--------------	----------------

Source of Funds

Paid up Capital	75,871,545.00	Reserves and Surplus	165,479,245.12
Secured Loans	841,211.95	Unsecured Loans	6,281,619.73
		Deferred Tax Liability	0.00

Application of Funds

Net Fixed Assets	52,186,520.17	Investments	56,206,303.00
Net Current Assets	129,756,234.78	Misc. Expenditure	0.00
Accumulated Losses	NIL	Loans & Advances	10,324,563.50

IV. Performance of Company

Turnover	235,111,617.03	Total Expenditure	219,806,921.62
Profit / (loss) before Tax	7,304,695.41	Profit / (Loss) after Tax	4,904,695.41
Earning per Share Rs.	0.73	Dividend %	0%

V. Generic Name of Principal Product of Company

(As per monetary terms)

Item Code No.	3921900	Bags
(ITC Code)	---	
Product Description	380830	Plant Growth Regulators
	380890	Others

As per our Report of even date
Ambalal M. Shah & Co.
Chartered Accountants

For Ocean Agro (India) limited

CA. Ashok A. Jain

Partner

M. No. 030389

Place : Vadodara

Date : 29th May 2017

K.B. Parikh
Managing Director

M.D. Patel
Jt. Managing Director

Place : Vadodara
Date : 29th May 2017



CASH FLOW STATEMENT

FOR THE YEAR ENDED ON 31st March 2017

A. Cash Flow from Operating Activities :

Net Profit before Tax & extra ordinary items		4,904,695.00
Adjustments for :		
Depreciation	3,151,504.00	
Provision for Direct Tax	2,400,000.00	
Deferred Revenue Expenses written-off	0.00	
Interest Income	0.00	
Decrease in reserve	0.00	
Losses on Sales of Fixed Assets	(75419.00)	
Interest charged	5,115,344.00	10,591,428.00
Operating Profit before working capital changes		15,496,124.00
Trade & Other receivables	(2,433,593.00)	
Inventories	(2,723,909.00)	
Trade Payable	3,688,652.00	(1,468,850.00)
Cash generated from operations		14,027,274.00
Interest paid	0.00	
Direct Taxes paid	(2,400,000.00)	(2,400,000.00)
Cash Flow before Extra Ordinary Items		11,627,274.00
Extra Ordinary Items	0.00	0.00
Net Cash from Operating Activities	A	11,627,274.00
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	(52,85,881.00)	
Sale of Fixed Assets	75419.00	
Interest received	0.00	
Misc. Expenditure	0.00	
Investments	0.00	
Net Cash used in Investing Activities	B	(5,210,462.00)
C. Cash Flow from Financing Activities		
Proceeds from issue of Share Capital	0.00	
Proceeds from Borrowing	0.00	
Repayment of Loan	175,355.00	
Interest Paid	(5,115,344.00)	
Dividend Paid	0.00	
Net Cash used in Financing Activities	C	(4,939,988.00)
NET CHANGES IN CASH & CASH EQUIVALENTS	(A+B+C)	1,476,824.00
Cash & Cash Equivalents Opening Balances		4,545,830.00
Cash & Cash Equivalents Closing Balances		6,022,654.00

For and on behalf of the Board

Place : Vadodara
Date : 29th May 2017

K.B. Parikh
Managing Director

M.D. Patel
Jt. Managing Director

AUDITORS' CERTIFICATE

We have verified the above Cash Flow Statement of Ocean Agro (India) Limited derived from Audited Annual Financial Statements for the year ended 31 March 2017 and found the same to be drawn in accordance therewith and also with the requirements of clause 32 of the listing agreement with Stock Exchanges.

For Ambalal M. Shah & Co.
Chartered Accountants

Place : Vadodara
Date : 29th May 2017

CA. Ashok A.Jain
Partner
M.No.030389



Independent Auditors' Report

To,
The Members of
OCEAN AGRO (INDIA) LIMITED

1. We have audited the accompanying consolidated financial statements of Ocean Agro (India) Limited ('the Company') and subsidiary, which comprise the consolidated balance sheet as at 31 March 2017, the consolidated statement of profit and loss and consolidated cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

2. **Management's Responsibility for the Consolidated Financial Statements.**

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms with the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

3. **Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the 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 provision of act and rules made thereunder. We conducted our audit in accordance with the standards on auditing specified under section 143(10) of the act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the holding Company's preparation of the consolidated financial statement 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 management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statement.



4. Qualified Opinion

As confirmed by the company, they have carried out investigation in respect of old outstanding debtors through a management team and taken incentive steps to recover old outstanding debtors and reviving those customers by supply of goods to them. Pursuant to scheme and work carried out by the company, they hope to recover old outstanding dues from old debtors and therefore after a detailed analytical review of recovering the same, a provision of 25% of total outstanding debtors i.e. Rs. 236 Lacs (approx) would be required to be made out of which Rs.80 Lacs is provided as provision of bad and doubtful debts during the year. Company intends to provide Rs.80 Lacs in phased manner of 3 to 5 years with a constant review of debtor's provision vis-a -vis settlement process with the old debtors with new incentives .To that extent Rs.867 Lacs remains unprovided. A sum of Rs.69.73 Lacs is already written off as bad debts out of accumulated provision of Rs.114.23 Lacs leaving balance provision of Rs.44.49 Lacs.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Qualified opinion paragraph, the 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 as at 31 March 2017 and its consolidated changes in equity for the year then ended;;

- (i) in the case of the consolidated balance sheet, of the state of affairs of the Company as at 31 March 2017 ;
- (ii) in the case of the consolidated statement of profit and loss, of the loss for the year ended on that date; and
- (iii) in the case of the consolidated cash flow statement, of the cash flows for the year ended on that date.

5 Report on Other Legal and Regulatory Requirements

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

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statement;
- b. In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidated financial statement have been kept by the Company so far as appears from our examination of those books;
- c. The consolidated balance sheet, consolidated statement of profit and loss, consolidated cash flow statement and consolidated statement of charges in equity dealt with by this Report are in agreement with the books of account maintain for the purpose of preparation of the consolidated statement;
- d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rules issued thereunder;
- e. On the basis of the written representations received from the directors of the Holding company as on 31st March 2017 taken on record by the Board of Directors of Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated outside of india, none of the directors of Group companies is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act;



- f) With respect to adequacy of the internal financial control over financial reporting of the group and the operating effectiveness of such controls, refer to our separate report in “Annexure A”; and
- 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 Auditor’s) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii) The Company is not required to transfer amount to investor education and protection fund.

For Ambalal M. Shah & Co.
Chartered Accountants

CA. Ashok A.Jain
Partner
M.No.030389

Place : Vadodara
Date : 29th May 2017



Annexure- A to the Auditors' Report

1. Report on the Internal Financial Control under Clause (i) of Sub-section 3 of Section 143 of Companies Act, 2013 (“the Act”)

In conjunction with our audit of the consolidated financial statement of the Company as of and for the year ended 31 March 2017, we have audited the internal financial control over financial reporting of Ocean Agro (India) Limited (“the Holding Company”) and its subsidiary companies which are companies incorporated outside India, as of that date.

2. Management’s Responsibility for the Financial Statements

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

3. Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial control 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”) issued by ICAI 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 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.

4. Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purpose 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.



5. Inherent Limitations of Internal Financial Controls over Financial Reporting

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

6. Opinion

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, 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 31 March 2017, 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 ICAI

For Ambalal M. Shah & Co.

Chartered Accountants

CA. Ashok A. Jain
Partner
M. No. 030389

Place : Vadodara
Date : 29th May 2017



BALANCE SHEET AS AT (CONSOLIDATED) 31st March 2017

Particulars	Notes No.	As at 31/03/2017		As at
		Rupees	Rupees	31/03/2016
				Rupees
I EQUITY AND LIABILITIES				
1 Shareholder's Funds				
(a) Share Capital	1	75,871,545.00		75,871,545.00
(b) Reserve & Surplus	2	106,583,296.98		109,042,561.89
(c) Money received against share warrants		0.00		0.00
			182,454,841.98	184,914,106.89
2 Share application money pending allotment		0.00		0.00
3 Non-Current Liabilities				
(a) Long-term borrowings	3	841,211.95		423,190.55
(b) Deferred tax liabilities (Net)		0.00		0.00
(c) Other Long term liabilities	4	6,281,619.73		6,389,269.73
(d) Long term provisions		0.00		0.00
			7,122,831.68	6,812,460.28
4 Current Liabilities				
(a) Short-term borrowings	5	34,714,635.64		34,849,651.64
(b) Trade payables	6	11,406,237.60		5,484,256.65
(c) Other current liabilities	7	10,593,983.30		8,921,561.56
(d) Short-term Provision	8	8,585,022.70		7,489,554.70
			65,299,879.24	56,745,024.54
Total			254,877,552.90	248,471,591.71
II Assets				
Non-Current assets				
1 (a) Fixed Assets :				
(i) Tangible assets	9	52,186,520.83		50,052,143.51
(ii) Intangible assets	10	0.00		0.00
(iii) Capital work-in-progress		0.00		0.00
(iv) Intangible assets under development		0.00		0.00
			52,186,520.83	50,052,143.51
(b) Non-Current Investments in fully owned Ocean Agro LLC	11		0.00	0.00
(c) Deferred Tax assets (Net)	12		0.00	0.00
(d) Long-term loans and advances	13		10,324,563.50	10,774,236.49
(e) Other Non-Current assets			0.00	0.00
2 Current assets				
(a) Current Investments		0.00		0.00
(a) Inventories	14	48,703,750.04		43,473,922.01
(b) Trade receivables	15	135,978,065.98		137,205,433.89
(c) Cash & Cash equivalents	16	7,642,778.86		6,919,928.81
(d) Short term loans and advances		0.00		0.00
(f) Other current assets	17	41,874.00		45,927.00
			192,366,468.88	187,645,211.71
Total			254,877,552.90	248,471,591.71

As per our Report of even date
Ambalal M. Shah & Co.
Chartered Accountants

For Ocean Agro (India) limited

CA. Ashok A. Jain

Partner

M. No. 030389

Place : Vadodara

Date : 29th May 2017

K.B. Parikh
Managing Director

M.D. Patel
Jt. Managing Director

Place : Vadodara
Date : 29th May 2017



PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st March 2017

Particulars	Notes No.	As at 31/03/2017		As at
		Rupees	Rupees	31/03/2016
				Rupees
I Revenue from operations	18	238,373,377.89		237,649,204.90
II Other Income	19	71,499.61		154,393.90
III Total Revenue (I + II)			238,444,877.51	237,803,598.81
IV Expenses :				
Cost of Material Consumed	20	55,329,759.10		56,768,500.98
Purchase of stock-in-Trade		0.00		0.00
Changes in inventories of finished goods work-in-progress and stock trade	21	(6,976,722.34)		(2,997,626.29)
Employee benefits expense	22	26,472,832.80		31,133,701.23
			74,825,869.56	84,904,575.92
V Finance costs	23	5,181,324.67		5,148,290.18
VI Depreciation and amortization expense	24	3,151,503.69		2,946,013.25
VII Other Expense	25	146,897,907.56		138,383,639.53
Total Expense			230,056,605.47	231,382,518.88
VIII Profit before exceptional and extraordinary items and tax (III - VII)			8,388,272.03	6,421,079.92
IX Exceptional Items	26	8,000,000.00		10,000,000.00
X Profit before extraordinary items and tax (VIII - IX)			388,272.03	(3,578,920.08)
XI Extraordinary Items		0.00		0.00
XII Profit before Tax (X - XI)			388,272.03	(3,578,920.08)
XIII Tax expense:				
(1) Current Tax		2,400,000.00		2,350,000.00
(2) Deferred Tax		0.00		0.00
			2,400,000.00	2,350,000.00
XIV Profit (Loss) for the period from continuing operations (XII - XIII)			(2,011,727.97)	(5,928,920.08)
XV Profit/(Loss) form discontinuing operations		0.00		0.00
XVI Tax Expense of discontinuing operations		0.00		0.00
XVII Profit/(Loss) from discontinuing operations (after tax) (XV - XVI)			0.00	0.00
XVIII Profit (Loss) for the period (XIV+ XVII)			(2,011,727.97)	(5,928,920.08)
XVIII Earnings per equity share :				
(1) Basic			0.00	0.00
(2) Diluted			0.00	0.00

As per our Report of even date
Ambalal M. Shah & Co.
Chartered Accountants

For Ocean Agro (India) limited

CA. Ashok A. Jain

Partner

M. No. 030389

Place : Vadodara

Date : 29th May 2017

K.B. Parikh
Managing Director

M.D. Patel
Jt. Managing Director

Place : Vadodara
Date : 29th May 2017



Note 1 : Share Capital

Particulars	As at 31/03/2017		As at 31/03/2016
	Rupees	Rupees	Rupees
AUTHORISED :			
2,99,70,000 Equity Shares of Rs. 10/- each		299,700,000.00	299,700,000.00
30,000 Non-cumulative 10% Redeemable Preference Shares of Rs. 10/- each		300,000.00	300,000.00
		300,000,000.00	300,000,000.00
ISSUED, SUBSCRIBED AND PAID UP :			
ISSUED & SUBSCRIBED :			
84,37,900 Equity Shares of Rs.10/- each		84,379,000.00	84,379,000.00
		84,379,000.00	84,379,000.00
PAID UP SHARE CAPITAL :			
67,44,900 Equity Shares of Rs.10/- each Fully paid up	67,449,000.00		67,449,000.00
Paid-up amount on Shares Forfeited	8,384,500.00		8,384,500.00
Excess Paid-up amount on Forfeited Shares	38,045.00		38,045.00
		75,871,545.00	75,871,545.00

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each Shareholder is eligible for one vote per share. The dividend proposed by the Board of Directors is subject to the approval of shareholders, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

Note 1 : a Details of Share holders holding more than 5% Share in the Company

Name of Shareholders	As at 31/03/2017		As at 31/03/2016	
	No of Shares held	% of holding	No of Shares held	% of holding
Kaushik Babubhai Parikh	2,983,826.00	44.24	2,983,826	44.24
Om Pesticides (Nandesari) Pvt. Ltd.	544,285.00	8.07	544,285	8.07
Associated Manufacutring (Rania) Pvt. Ltd.	94,070.00	1.39	94,070	1.39
Ushaben K. Parikh	345,042.00	5.12	345,042	5.12



Note 2 : RESERVE & SURPLUS :

Particulars	As at 31/03/2017		As at
	Rupees	Rupees	31/03/2016
			Rupees
CAPITAL RESERVE	0.00		0.00
CAPITAL REDUMPTION RESERVE	(58,895,948.14)		(51,531,987.83)
Add : Profit/(Loss) during the Year		(58,895,948.14)	(51,531,987.83)
SECURITIES PREMIUM ACCOUNT			
Share Premium on Shares	148,487,534.00		148,487,534.00
Share Premium on Forfeited Shares	0.00		0.00
Excess Premium received on Shares	0.00		0.00
		148,487,534.00	148,487,534.00
GENERAL RESERVE :			
Opening Balance	11,903,474.91		11,903,474.91
Additions during the Year	0.00		0.00
		11,903,474.91	11,903,474.91
SURPLUS/(DEFICIT) IN THE STATEMENT OF PROFIT AND LOSS			
Balance as per last financial statements	183,540.80		(3,386,731.66)
Profit for the year	4,904,695.41		3,570,272.46
NET SURPLUS IN THE STATEMENT OF PROFIT AND LOSS		5,088,236.22	183,540.80
TOTAL RESERVE AND SURPLUS		106,583,296.98	109,042,561.88

Note 3 : Long term borrowing

Particulars	As at	As at
	31/03/2017	31/03/2016
	Rupees	Rupees
Secured Loan		
Loan against FDR / H.D.F.C / BOB	841,211.95	423,190.55
Loans & Advances Received	0.00	0.00
	841,211.95	423,190.55

Loan from Bank of Baroda against vehicle, repayable starting from Aug-2016 for 36 month.

Note 4 : Other Long Term Liabilities

Particulars	As at	As at
	31/03/2017	31/03/2016
	Rupees	Rupees
Dealers' Deposits	6,281,619.73	6,389,269.73
	6,281,619.73	6,389,269.73



Note 5 : Short-Term Borrowings

Particulars	As at 31/03/2017		As at 31/03/2016	
	Rupees		Rupees	
Bank of Baroda Cash Credit Account	34,714,635.64		34,849,651.64	
	34,714,635.64		34,849,651.64	

Cash Credit from Bank of Baroda carry interest @12.05% to 12.65% p.a. The C.C. is secured against charge of inventory book debt advances plot of lease hold land. Further the loan has been granted by the personal guarantee of director Kaushik Babubhai Parikh, Manhar Dayalji bhai Patel.

Note 6 : Trade Payable

Particulars	As at 31/03/2017		As at 31/03/2016	
	Rupees		Rupees	
CURRENT LIABILITIES				
Creditors for Goods	10,797,058.98		5,188,381.92	
Creditors for Expenses	609,178.62		295,874.73	
	11,406,237.60		5,484,256.65	

Note 7 : Other Current Liabilities

Particulars	As at 31/03/2017		As at 31/03/2016	
	Rupees		Rupees	
Other Payable :				
Statutory due	1,906,152.06		1,960,414.12	
Other	8,687,831.24		6,961,147.44	
	10,593,983.30		8,921,561.56	

Note 8 : Short term Provision

Particulars	As at 31/03/2017		As at 31/03/2016	
	Rupees		Rupees	
PROVISIONS :				
Provision for doubtful debts	4,449,735.20		3,423,465.20	
Other Provisions	1,735,287.50		1,716,089.50	
Provision for Income-tax	2,400,000.00		2,350,000.00	
	8,585,022.70		7,489,554.70	



Note 9 : Tangible Assets

Particulars	As at 31/03/2017		As at 31/03/2016
	Rupees	Rupees	Rupees
Opening balance	213,250,457.69		208,961,191.81
Add :Additions during the Period	5,285,881.00		4,289,265.88
Less :Deductions during the period	486,520.00		0.00
Gross Block		218,049,818.69	213,250,457.69
Depreciation up to prv. year	163,198,314.18		160,252,300.93
Less :Deductions Written back	486520.00		0.00
Add :Depreciation for the Period	3,151,503.69		2,946,013.25
		165,863,297.86	163,198,314.18
Net Block		52,186,520.83	50,052,143.51

Note 9 : Tangible Assets

Particulars	GROSS BLOCK			DEPRECIATION				NET BLOCK	
	Op. Balance as on 31/03/2016	Adtn./(Dedn.) during the Year	Total as on 31/03/2017	Op. Balance as on 31/03/2016	Ddn/Adjst during the year	Provided during the year	Total as on 31/03/2017	Cl. Balance as on 31/03/2017	Cl. Balance as on 31/03/2016
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Leasehold Land	6,741,913.00	0.00	6,741,913.00	0.00	0.00	0.00	0.00	6,741,913.00	6,741,913.00
Buildings	39,284,992.51	550,189.00	39,835,181.51	25,636,058.73	0.00	1,316,084.62	26,952,143.36	12,883,038.15	13,648,933.78
Plant & Machinery	143,162,571.31	3,088,397.00	146,250,968.31	117,674,662.12	0.00	1,128,256.71	118,802,918.83	27,448,049.48	25,487,909.19
Furniture & Fixtures	4,583,982.29	0.00	4,583,982.29	4,580,552.57	0.00	0.00	4,580,552.57	3429.72	3,429.72
Vehicles	10,096,319.36	811,455.00	10,907,774.36	8,219,890.47	486,520.00	4,79,862.81	8,213,233.29	2,694,541.07	1,876,428.89
Office Equipment	2,862,513.24	101,235.00	2,963,748.24	2,465,155.73	0.00	114,674.71	2,579,830.43	383,917.81	397,357.51
Eqp. under Testing	1,158,200.00	0.00	1,158,200.00	0.00	0.00	0.00	0.00	1,158,200.00	1,158,200.00
Computer Software	5,359,965.98	2,48,085.00	5,608,050.98	4,621,995.22	0.00	112,624.83	4,734,620.05	873,430.93	737,970.76
TOTAL	213,250,457.69	4,799,361.00	218,049,818.69	163,198,314.84	486,520.00	3,151,503.69	165,863,298.52	52,186,520.17	50,052,142.85
Previous Year's Total	208,961,191.81	4,289,265.88	213,250,457.69	160,252,301.59	0.00	2,946,013.25	163,198,314.84	50,052,143.51	

Note 11 : Non Current Investments

Particulars	As at 31/03/2017		As at 31/03/2016
	Rupees	Rupees	Rupees
Trade Investment			
Investment in Subsidiary fully owned Ocean Agro LLC	0.00		0.00
		0.00	0.00

Company has established with name ' OCEAN AGRO LLC ' 100% fully owned subsidiary company. Company has transferred US \$9,36,000.



Note 12 : Deferred Tax assets (Net)

Particulars	As at 31/03/2017		As at
	Rupees	Rupees	31/03/2016
			Rupees
Deferred Tax Liabilities			
Provision for doubtful debts and advances	0.00		0.00
Other Provision	0.00		0.00
		0.00	0.00

Note 13 : Long-term Loans and Advances

Particulars	As at 31/03/2017		As at
	Rupees	Rupees	31/03/2016
			Rupees
Capital advances			
Secured, Considered Good	0.00		0.00
UnSecured, Considered Good	0.00		0.00
Total : A		0.00	0.00
Security deposit			
Secured, Considered Good	0.00		0.00
UnSecured, Considered Good	1,879,464.27		1,803,574.27
Provision for doubtful security deposit	0.00		0.00
Total : B		1,879,464.27	1,803,574.27
Loan and advances to related parties			
UnSecured, Considered Good	0.00		0.00
Total : C		0.00	0.00
Advances recoverable in cash or kind			
Secured, Considered Good	0.00		0.00
UnSecured, Considered Good	8,445,099.23		8,970,662.22
Provision for doubtful advances	0.00		0.00
Total : D		8,445,099.23	8,970,662.22
Other loans and advances			
Advance income-tax (net of provision for taxation)	0.00		0.00
Prepaid expenses	0.00		0.00
Loans to employees	0.00		0.00
Balances with statutory/government authorities	0.00		0.00
Total : E		0.00	0.00
		10,324,563.50	10,774,236.49

Note 14 : Inventories

Particulars	As at 31/03/2017		As at
	Rupees	Rupees	31/03/2016
			Rupees
INVENTORY :			
(as taken, valued & certified by the management)			
Closing Stock of Finished Goods (at cost)	35,713,296.04		30,708,252.01
Closing Stock of Raw Material (at cost)	5,280,586.00		5,619,288.00
Closing Stock of Packing Material (at cost)	7,709,868.00		7,146,382.00
		48,703,750.04	43,473,922.01



Note 15 : Trade receivables and other assets

Particulars	As at 31/03/2017		As at
	Rupees	Rupees	31/03/2016
			Rupees
Outstanding for a period exceeding six months from the date they are due for payment			
Secured, Considered Good	107,973,224.98		112,732,916.65
UnSecured, Considered Good	0.00		0.00
Doubtful	0.00		0.00
			107,973,224.98
			112,732,916.65
Less : Provision for doubtful receivable	0.00		0.00
			107,973,224.98
			112,732,916.65
Other Receivable			
Secured, Considered Good			
UnSecured, Considered Good	0.00		0.00
Doubtful	28,004,841.00		24,472,517.24
	0.00		0.00
			28,004,841.00
			24,472,517.24
Less : Provision for doubtful receivable	0.00		0.00
			28,004,841.00
			24,472,517.24
			135,978,065.98
			137,205,433.89

Note 16 : Cash & Cash equivalents

Particulars	As at 31/03/2017		As at
	Rupees	Rupees	31/03/2016
			Rupees
CASH & BANK BALANCES :			
On Current accounts	7,016,196.36		6,330,791.36
Deposit with original maturity of less than 3 months	0.00		0.00
Cash on Hand	626,582.50		589,137.45
			7,642,778.86
			6,919,928.81

Note 17 : Other Assets

Particulars	As at 31/03/2017		As at
	Rupees	Rupees	31/03/2016
			Rupees
Interest accrued on fixed deposits	0.00		0.00
Interest accrued on Investment	0.00		0.00
Others	41,874.00		45,927.00
			41,874.00
			45,927.00



Note 18 : Revenue from Operations

Particulars	As at 31/03/2017		As at
	Rupees	Rupees	31/03/2016
			Rupees
Revenue from operation			
Sales of Products			
Finished Goods	0.00		0.00
Trade Goods			
Domestic Sales	239,760,267.56		236,001,569.90
Export Sales	(1,386,889.67)		1,647,635.00
Revenue from operation (Gross)	238,373,377.89		237,649,204.90
Less : Excise Duty	0.00		0.00
Revenue from operation (Net)		238,373,377.89	237,649,204.90

Note 19 : Other Income

Particulars	As at 31/03/2017		As at
	Rupees	Rupees	31/03/2016
			Rupees
Interest Income on			
Bank deposits	0.00		0.00
Long-term Investments	0.00		0.00
Current Investment	0.00		0.00
Dividend income on	0.00		0.00
Other non-operating income			
Income from Sale of Assets	75,419.00		0.00
Misc. Income	(3,919.39)		154,393.90
		71,499.61	154,393.90

Note 20 : Cost of Material Consumed

Particulars	As at 31/03/2017		As at
	Rupees	Rupees	31/03/2016
			Rupees
RAW MATERIAL :			
Opening Stock	5,619,288.00		5,624,048.00
Add : Purchases	42,024,254.61		46,177,865.64
Add : Purchase Tax	0.00		0.00
	<u>47,643,542.61</u>		<u>51,801,913.64</u>
Less : Closing Stock	5,280,586.00		5,619,288.00
		42,362,956.61	46,182,625.64
PACKING MATERIALS :			
Opening Stock	7,124,938.00		6,738,792.00
Add : Purchases	13,255,314.49		10,808,931.34
	<u>20,380,252.49</u>		<u>17,547,723.34</u>
Less : Closing Stock	7,666,795.00		7,124,938.00
		12,713,457.49	10,422,785.34
PRINTING INK :			
Opening Stock	21,444.00		24,498.00
Add : Purchases	274,974.00		160,036.00
	<u>296,418.00</u>		<u>184,534.00</u>
Less : Closing Stock	43,073.00		21,444.00
		253,345.00	163,090.00
Add : FINISHED GOODS :		0.00	0.00
		55,329,759.10	56,768,500.98



Note 21 : Changes in Inventories of Finished Goods Work-In-Progress and Stock Trade

Particulars	As at 31/03/2017		As at
	Rupees	Rupees	31/03/2016
			Rupees
Inventories at the end of the year			
Traded goods	0.00		0.00
Work in progress	0.00		0.00
Finished Goods	27,261,684.00		24,762,559.00
Inventories at the beginning of the year			
Traded goods	0.00		0.00
Work in progress	0.00		0.00
Finished Goods	20,284,961.66		21,764,932.71
		(6,976,722.34)	(2,997,626.29)

Note 22 : Employee benefit expenses

Particulars	As at 31/03/2017		As at
	Rupees	Rupees	31/03/2016
			Rupees
Salaries	8,0805,26.80		11,971,135.23
Wages Paid	3,386,394.00		4,390,613.00
Directors' Remuneration	5,994,000.00		5,994,000.00
Administrative Charges to E.P.F.	100,505.00		90,387.00
Company's Contribution to E.S.I.C.	241,667.00		290,022.00
Company's Contribution to E.D.L.I.	53,062.00		52,518.00
Company's Contribution to E.P.F.	248,564.00		235,323.00
Company's Contribution to F.P.F.	421,656.00		428,273.00
Company's Contribution to LWF	0.00		0.00
Conveyance Allowance	396,727.00		340,771.00
Medical Reimbursement	75,261.00		70,274.00
Rent Allowance	214,912.00		185,859.00
Employees Welfare Fund	872,845.00		775,012.00
Incentive to Staff	2,096,240.00		1,853,296.00
Incentive to Workers	1,221,581.00		971,859.00
Incentive	0.00		0.00
Overtime	0.00		0.00
Stipend Paid	157,510.00		148,611.00
Bonus	2,160,359.00		1,856,837.00
Ex gratia	438,740.00		422,521.00
Gratuity	242,181.00		831,324.00
Leave Encashment	70,102.00		225,066.00
		26,472,832.80	31,133,701.23



Note 23 : Finance Cost

Particulars	As at 31/03/2017		As at
	Rupees	Rupees	31/03/2016
Bank Interest	4,539,368.14		4,624,008.19
Bank Charges	462,644.53		346,130.99
Interest to Others	179,311.99		178,151.00
Exchange difference	0.00		0.00
		5,181,324.67	5,148,290.18

Note 24 : Depreciation and Amortization Expense

Particulars	As at 31/03/2017		As at
	Rupees	Rupees	31/03/2016
Depreciation of tangible assets	3,151,503.69		2,946,013.25
Amortization of intangible assets	0.00		0.00
Depreciation of Investment property	0.00		0.00
Less : recoupmnt for revaluation reserve	0.00		0.00
		3,151,503.69	2,946,013.25

Note 25 :Other Expense

Particulars	As at 31/03/2017		As at
	Rupees	Rupees	31/03/2016
Consultation Charges	3,721,966.45		3,135,890.00
Consultation Charges - Excise	2000.00		0.00
Consumable Stores	645,537.00		299,654.00
Conveyance Expense	138,548.00		102,763.00
Design / Art work	18640.00		0.00
Donation	1501.00		50,000.00
Electricity	2,818,627.00		2,993,583.74
Excise Paid	12,317,076.00		12,247,781.00
FBT Expenses	0.00		0.00
Food & Beverages	292,468.00		350,551.00
Freight	7,477,400.00		7,322,788.00
General Expenses	59,357.02		65,560.79
Hardware & Electricals	586,082.00		593,837.00
Insurance	398,546.99		367,173.02
Internet charges	471294.39		0.00
Laboratory Expenses	194,839.98		181,518.02
Labour Charges	429,258.00		218,300.00
Legal Charges	480,725.00		22,470.00
Liaison Expenses	341,500.00		180,000.00
Licence Fees	120178.50		0.00
Medical Expense	156,849.00		153,373.00
Weighing Charges	27,900.00		28,050.00

Cont.. (P.T.O)



Note 25 :Other Expense (Contd.....)

Particulars	As at 31/03/2017		As at 31/03/2016	
	Rupees		Rupees	
Office Expenses	1,467,236.06		2,598,272.46	
Processing Expenses	0.00		0.00	
Rates & Taxes	5,389,177.64		5,603,581.54	
Rent Expenses	332,952.00		396,639.02	
Repairs & Maint. to Plant & Machinery	1,096,909.00		1,095,913.00	
Repairs to Building	853,923.00		575,325.00	
Repairs to Others	457,285.00		149,337.00	
Sales Tax Paid	18,347.00		51,429.00	
Repairs to Cars	202,546.00		186,291.00	
Repairs to Vehicle	5,380.00		15,168.00	
Service Tax	650,827.00		614,179.00	
Stationary & Printing	546,488.83		559,890.77	
Stores & Spares	81,446.00		53,871.00	
Subscription and Periodicals	33,439.82		45,640.79	
Telephone/Trunkcall/Postage	888,145.16		897,780.88	
Travelling	84,253.00		76,846.00	
Water	123,125.00		72,846.00	
Web Charges	1250.00		0.00	
Membership fees	402,257.35		351,024.41	
Petrol to Cars	735,004.00		663,100.00	
Petrol to Motorcycles	147,269.00		155,962.00	
Typing & Duplicating	12,775.00		26,954.00	
Bad Debts Written off	0.00		0.00	
Previous Years Expenses	(194,162.89)		0.00	
Audit Fees	347,225.00		376,036.00	
Marketing Expenses	14,811,879.17		13,705,611.66	
Sales Distribution Expenses	39,373,019.71		35,149,806.40	
Forwarding Expenses	18,938,900.57		16,992,780.15	
Advertising Expenses	354,111.00		45,522.00	
Deferred Revenue Exp. Written off	0.00		0.00	
Product Incentive Expenses	0.00		0.00	
Commission	4,006,434.20		4,434,979.68	
Sales Discount	25,030,170.63		25,175,560.21	
	146,897,907.56		138,383,639.53	

Note 25 : a. Other Expense

Particulars	As at 31/03/2017		As at 31/03/2016	
	Rupees		Rupees	
Payment to auditor				
As auditor				
Audit Fees	347,225.00		294,168.00	
Tax Audit Fee	0.00		81,868.00	
Limited review	0.00		0.00	
In other Capacity				
Taxation Matters	0.00		0.00	
Company Law matters	0.00		0.00	
Management Services	0.00		0.00	
Other Services	0.00		0.00	
		347,225.00	376,036.00	



Note 26 : Bad debt provision & Written off

Particulars	As at 31/03/2017	As at 31/03/2016
Bad debt written off	0.00	8,427,173.73
Less : Transfer from Provision for doubtful debt	0.00	8,427,173.73
Add : Provision for the year	8,000,000.00	10,000,000.00
Less : Excess Provision written off	0.00	0.00
	8,000,000.00	10,000,000.00

Note 27

1.1 System of Accounting:

- Financial Statements are based on historical cost. These costs are not adjusted to reflect the impact of the changing value in the Purchasing Power of money.
- The Group follows the mercantile system of accounting and recognises income and expenditure on an accrual basis, except interest on margin money deposit with Bank of Baroda, and Gratuity.
- The Financial Statements are prepared in accordance with the principles and procedures required for the presentation of consolidated financial statements as laid down under the Accounting Standard (AS) 21, 'Consolidated Financial Statements'.
- Company has not used the rate for conversion of financial statement as suggested by AS-11 to consolidate the financial statements, instead the Company has converted financial statement of foreign subsidiary by taking the average rate.

1.2 Revenue Recognition:

Sales are inclusive of Excise Duty and are net of Trade Discounts and sales returns.

1.3 Fixed Assets:

Fixed Assets are carried at cost of acquisition/installation. Fixed Assets are shown net of accumulated depreciation and amortised amount (except on Leasehold Land). Cost includes related taxes, duties, freight, insurance etc. attributable to acquisition and installation of assets and borrowing cost incurred up to the date of commencing operations, but excludes duties and taxes that are recoverable subsequently from taxing authorities.

1.4 Depreciation:

Depreciation on all the assets is being provided on "Straight Line Method" in accordance with the method prescribed in schedule II of the company act 2013. Depreciation on additions during the year is being provided on pro-rata. Plant & Machinery which were not put to use during the year were not considered for the purpose of depreciation. The same would be considered for depreciation as and when the said machinery would be put to use again. During the year no depreciation has been provided on slow moving items.

1.5 Inventories:

- Raw Materials & Packing Materials are valued at cost. Cost is arrived at on FIFO basis. However, as per AS-2 issued by ICAI, stock should be valued at cost or net realisable value whichever is lower. According to the management, there are no items having realisable value less than the cost.
- Materials in Process are not valued.



- c) Finished goods are valued at cost. Cost is arrived at considering direct material, direct labour and direct factory overheads. Finished stocks lying in the factory are valued exclusive of excise duty except the stocks lying in Duty Paid Godowns and Company's C & F distributors which are valued inclusive of excise duty.
- d) At present Stores, Machinery Spares are charged to revenue as and when purchased.

1.6 Retirement Benefits:

Company's contribution to Provident Fund and ESIC are charged to Profit & Loss Account. Gratuity is charged to P&L a/c on actual payment basis and not on accrual valuation as at year end as against AS-15 "Accounting for retirement Benefits".

1.7 Borrowing Cost:

During the year, there are no borrowing cost attributable to the acquisition of qualifying assets that are required to be capitalized as required by AS-16 "Borrowing Costs". Hence all borrowing cost have been charged to revenue.

1.8 Taxation:

Provision for current tax is made based on the liability computed in accordance with the relevant tax rates and tax laws.

Deferred tax assets are recognized only if there is a virtual certainty that they will be realized and reviewed for the appropriateness of their carrying values at each Balance Sheet date.

- 2 As confirmed by the company ,they have carried out investigation in respect of old outstanding debtors through a management team and taken incentive steps to recover old outstanding debtors and reviving those customer by supply of goods to them. Pursuant to scheme and work carried out by the company ,they hope to recover old outstanding dues from old debtors and therefore after a detailed analytical review of recovering the same a provision of Rs.236 Lacs (approx) would be required to be made out of which Rs.80 Lacs is provided as provision for bad & doubtful debts during the year.Company intends to provide Rs.80 Lacs in phased manner of 3 to 5 years with a constant review of debtors provision. To that extent Rs.867 Lacs (approx) remains unprovided. A sum of Rs.69.73 lacs is written off as bad & doubtful debt.

- 3 Cost of material is not netted by Cenvat credit. Payment of net excise debited to excised expenses.

- 4 In the opinion of directors, the net realizable value of current assets sold in ordinary course of business is not less than the market value.

- 5 Some debtors, creditors, loans & advances, bank deposits are subject to confirmation and reconciliation.

6 Contingent Liabilities:

There are no contingent liabilities as certified by the Directors.

- 7 Claims against the Company not acknowledged as debts (estimated):

	2016-17	2015-16
i) In respect of Labour Matters	nil	nil
ii) Other Claims	nil	nil

- 8 a) The company has identified the suppliers who are covered under the Interest on Delayed Payments to Small Scale and Ancillary Industrial Undertakings Act, 1993. The liability under the said Act on account of interest is not ascertained as at 31 March 2017. However, no claims have been received for interest from suppliers with reference to the above Act.
- b) There are no small scale industrial undertakings to whom the company owes a sum which is outstanding as per terms of contract agreed for more than 30 days as at Balance Sheet date.



9 Remuneration to Managing Director & Jt. Managing Director - half & equal to each (exclusive of contribution to Gratuity Fund on Actual valuation)

	2016-17	2015-16
Salaries	6,804,000.00	6,804,000.00
Contribution to Provident & Superannuation funds	0.00	0.00
	6,804,000.00	6,804,000.00

Notes :

- i) Remuneration paid to Managing Director and Joint Managing Director is computed as per the provisions of Section 197 of the Companies Act, 2013.
- ii) As per the terms of appointment applicable during the year, no amount is payable to the Managing Director and Joint Managing Director as Commission.

10 Segment Reporting:

Considering the organization structure, nature of Products and risk and return profile based on geographical distribution, the agro chemicals business is considered as a single segment in accordance with AS-17 "Segment Reporting".

11 Related Party Disclosure:

a) Related Parties:

- | | |
|--------------------------------|--|
| i) Subsidiaries of the Company | Ocean Agro LLC |
| ii) Other related parties | Industrial Additives |
| iii) Key Management Personnel | Mr. Kaushik B. Parikh (MD)
Mr. Manhar D. Patel (Jt. MD) |

- b) The following transactions were carried out during the year with the related parties in the ordinary course of business:

	Other related parties	
	2016-17	2015-16
Transactions		
Material Purchased	13,960,708.00	16,199,027.00
Amount due to / from related parties		
Advances due	(4,654,172.47)	(4,493,464.47)

The remuneration of key management personnel is shown in Note no. 12.

12 Disclosure as required under clause 32 of listing agreement

- i) Loans and Advances in the nature of loans to Firms/Companies in which Directors are interested - Rs. Nil (Previous Year - Rs. Nil)
- ii) Investment by the loanee in the shares of the Company as on 31 March 2017 is nil (Previous Year - nil)



CASH FLOW STATEMENT

FOR THE YEAR ENDED ON 31st March 2017

A. Cash Flow from Operating Activities :

Net Profit before Tax & extra ordinary items		(2,011,728.00)
Adjustments for :		
Depreciation	3,151,504.00	
Provision for Direct Tax	2,400,000.00	
Deferred Revenue Expenses written-off	0.00	
Interest Income	0.00	
Decrease in reserve	0.00	
Loss on Sales of Fixed Assets	(75419.00)	
Interest Charged	5,181,325.00	10,657,409.00
Operating Profit before working capital changes		8,645,681.00
Trade & Other receivables	1,681,094.00	
Inventories	(5,229,828.00)	
Trade Payable	8,689,871.00	5,141,137.00
Cash generated from operations		13,786,818.00
Interest paid	0	
Direct Taxes paid	(2,400,000.00)	(2,400,000.00)
Cash Flow before Extra Ordinary Items		11,386,818.00
Extra Ordinary Items	(447,537.00)	(447,537.00)
(Difference of Exchange Value in Reserve Surplus)		
Net Cash from Operating Activities	A	10,939,281.00
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	(5,285,881.00)	
Sale of Fixed Assets	75419.00	
Interest received	0.00	
Misc. Expenditure	0.00	
Investments	0.00	
Net Cash used in Investing Activities	B	(5,210,462.00)
C. Cash Flow from Financing Activities		
Proceeds from issue of Share Capital	0.00	
Proceeds from Borrowing	0.00	
Repayment of Loan	175,355.00	
Interest Paid	(5,181,325.00)	
Dividend Paid	0.00	
Net Cash used in Financing Activities	C	(5,005,969.00)
NET CHANGES IN CASH & CASH EQUIVALENTS	(A+B+C)	(722,850.00)
Cash & Cash Equivalents Opening Balances		6,919,929.00
Cash & Cash Equivalents Closing Balances		7,642,779.00

For and on behalf of the Board

Place : Vadodara
Date : 29th May 2017

K.B. Parikh
Managing Director

M.D. Patel
Jt. Managing Director

Consolidated Cash Flow Statement AUDITORS' CERTIFICATE

We have verified the above Cash Flow Statement of Ocean Agro (India) Limited derived from Audited Annual Financial Statements for the year ended 31 March 2017 and found the same to be drawn in accordance therewith and also with the requirements of clause 32 of the listing agreement with Stock Exchanges.

For Ambalal M. Shah & Co.
Chartered Accountants

Place : Vadodara
Date : 29th May 2017

CA. Ashok A.Jain
Partner
M.No.030389



Form No. AOC - 1

Salient features of the financial statement of subsidiaries/associate/joint ventures as per Companies Act, 2013

PART "A" : Subsidiaries

Sr. No.	Name of Subsidiary Company	Reporting Period	Reporting Currency	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investment	Turnover	Profit/ (Loss) before taxation	Provision for taxation	Profit/ (Loss) after taxation	Proposed Dividend	% of Shareholding
1	Ocean Agro L.L.C	31.03.2017	Rupees	Yet to be issued	-58895948	10722225	-69618174	0	10385481	-6916423	0	-6916423		0



OCEAN AGRO (INDIA) LIMITED

CORPORATE OFFICE

5, ALKAPURI SOCIETY, OFF R. C. DUTT ROAD, BARODA-390 007,
PHONE : (0265) 2351223, 2313690 (FAX) E MAIL : kaushik_parikh@yahoo.com
CIN : L15174GJ1990PLC013922

Form No. MGT-11

Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : L15174GJ1990PLC013922
Name of the company : OCEAN AGRO (INDIA) LIMITED
Registered office : A-207, Oxford Avenue, Opp.
C.U.Shah College, Ashram Road,
Ahmedabad-380 014.

Name of the member (s):
Registered address:
E-mail Id:
Folio No/ Client Id:
DP ID:

I/We, being the member(s) of _____ shares of the above named company, hereby appoint

1. Name : _____
Address : _____
E-mail Id : _____
Signature : _____, or failing him
2. Name : _____
Address : _____
E-mail Id : _____
Signature : _____, or failing him
3. Name : _____
Address : _____
E-mail Id : _____
Signature : _____

As my/our proxy to attend and vote (Ballot at meeting) for me/us and on my/our behalf at the 27th Annual general meeting of the company, to be held on the Friday of 29th September, 2017 at 09.30 a.m. at A – 207, Oxford Avenue, Opp. C. U. Shah College, Ashram Road, Ahmedabad 380 014 and at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Business:

1. Adoption of the audited Balance Sheet and Profit & Loss Account for the year ended March 31, 2017 and the reports of the Board of Directors and Auditors thereon (Ordinary resolution).
2. To appoint a Director in place of Shri Kaushikbhai Parikh who retires by rotation and is eligible for reappointment (Ordinary resolution).
3. To appoint Auditors and fixing of their remuneration (Ordinary resolution).

Special Business

4. To reappoint Shri Kaushik B. Parikh as a Managing Director of the Company.
5. To appoint Shri Manhar D. Patel as a Joint Managing Director of the Company.

Signed this..... day of..... 2017

Signature of shareholder _____

Signature of Proxy holder(s) _____

Affix
Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



OCEAN AGRO (INDIA) LIMITED

Registered Office :

A-207, Oxford Avenue, Opposite C.G. Shah College, Ashram Road, Ahmedabad - 380 014.

ATTENDANCE SLIP

(Please complete this Attendance Slip and hand it over at the entrance of the hall)

Full Name of the Shareholder (**BLOCK LETTERS**)

No. of Shares held

Folio No.

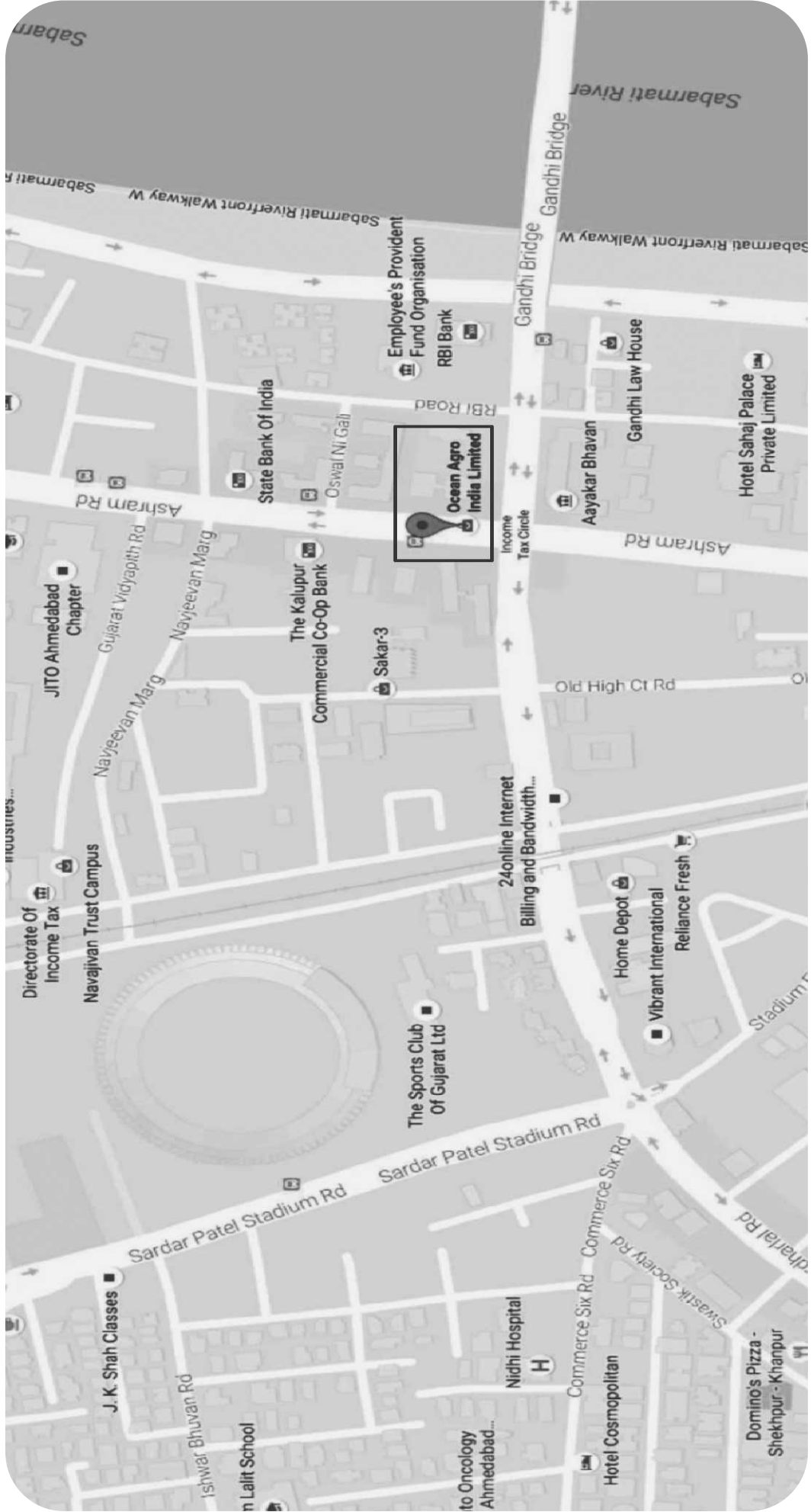
I hereby record my presence at the 27th Annual General Meeting of the Company held at A-207, Oxford Avenue, Opp. C.U. Shah College, Ashram Road Ahmedabad-380 014 on Friday the 29th September 2017 at 09.30 a.m.

Signature of the Shareholder

Note :Only Shareholders of the Company or their Proxies will be allowed to attend the Meeting.

BLANK

MAP FOR AGM



**27th ANNUAL
REPORT | 2016-2017**

Book - Post

To,

If undelivered, please return to:
Ocean Agro (India) Limited
A 207, Oxford Avenue,
Opp. C. U. Shah College,
Ashram Road, Ahmedabad-380 014.