

## INDEPENDENT AUDITOR'S REPORT

To the Members of **NIHON AGRO SERVICE KABUSHIKI KAISHA**

### **Report on the Ind AS Financial Statements**

We have audited the accompanying Ind AS financial statements of **NIHON AGRO SERVICE KABUSHIKI KAISHA**, which comprise the Balance Sheet as at 31.03.2017, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act., read with [Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered



Accountants of India, as 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 Ind AS 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 Ind AS 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 the Company's Directors, as well as evaluating the overall presentation of the Ind AS 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 Ind AS financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31.03.2017, its profit/loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 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 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;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those



- (c) The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account
- (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 Companies (Indian Accounting Standards) Rules, 2015, as amended
- (e) On the basis of written representations received from the directors as on 31.03.2017, and taken on record by the Board of Directors, none of the directors is disqualified as on 31.03.2017, from being appointed as a director in terms of section 164 (2) of the Act;
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
1. The Company does not have any pending litigations which would impact its financial position;
  2. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  3. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  4. As per books of accounts of the Company and as represented by the management of the Company, the Company did not have cash balance as on November 8, 2016 and December 30, 2016 and has no cash dealings during this period

**For V.K.BESWAL & ASSOCIATES,  
CHARTERED ACCOUNTANTS,  
FIRM REGISTRATION NO: 101083W**

  
**CA K.V.BESWAL  
PARTNER  
M.NO.131054  
PLACE : MUMBAI  
DATED : 17.04.2017**



**NIHON AGRO SERVICE KABUSHIKI KAISHA**

**BALANCE SHEET AS AT 31ST MARCH 2017**

Particulars	Note No	(Amount in INR)	
		As at 31-Mar-2017	As at 31-Mar-2016
<b>ASSETS</b>			
<b>Current assets</b>			
<b>Financial assets</b>			
Cash & cash equivalents	3	523,749	708,521
<b>Total assets</b>		<b>523,749</b>	<b>708,521</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	4	59,420	59,420
Other equity			
Retained earnings	5	(36,141)	-
Other reserves	5	1,009	(617)
<b>Total equity</b>		<b>24,288</b>	<b>58,803</b>
<b>Current Liabilities</b>			
Other current liabilities	6	499,461	649,718
<b>Total current financial liabilities</b>		<b>499,461</b>	<b>649,718</b>
<b>Total equity and liabilities</b>		<b>523,749</b>	<b>708,521</b>

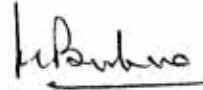
As per our report of even date  
For V.K.BESWAL & ASSOCIATES  
CHARTERED ACCOUNTANTS  
Firm Registration No. 101083W



CA K.V.BESWAL  
[PARTNER]  
Membership Number - 131054  
PLACE : MUMBAI  
Date: 17 APR 2017



For and on behalf of the Board of Directors of  
Nihon Agro Service Kabushiki Kaisha



R.V. BUBNA  
AUTHORISED SIGNATORY

*John*  
*He*

**NIHON AGRO SERVICE KABUSHIKI KAISHA**

**STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH, 2017**

(Amount in INR)

Particulars	Note No	Year ended 31-Mar-2017	Year ended 31-Mar-2016
<b>Income</b>			
Other income	7	2,274,766	-
<b>Total income</b>		<b>2,274,766</b>	<b>-</b>
<b>Expenses</b>			
Employee benefit expenses	8	1,911,888	-
Other expenses	9	362,871	-
<b>Total (II)</b>		<b>2,274,759</b>	<b>-</b>
<b>Profit /(Loss) before tax and before prior period adjustments</b>		<b>7</b>	<b>-</b>
<b>Tax Expense</b>			
Current Tax		36,148	-
Deferred Tax		-	-
<b>Total Tax Expenses</b>		<b>36,148</b>	<b>-</b>
<b>Profit/(Loss) for the year</b>		<b>(36,141)</b>	<b>-</b>
<b>Other Comprehensive Income</b>			
Exchange differences on translation of foreign operations		1,626	(617)
<b>Total other comprehensive income</b>		<b>1,626</b>	<b>(617)</b>
<b>Total Comprehensive income</b>		<b>(34,515)</b>	<b>(617)</b>
<b>Earning per equity share</b>			
Equity share of par value of JPY 10000 each Basic & Diluted		(3,614)	-

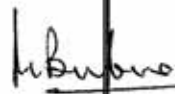
As per our report of even date  
For V.K.BESWAL & ASSOCIATES  
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CA K.V.BESWAL  
[PARTNER]  
Membership Number - 131054  
PLACE : MUMBAI  
Date: 17 APR 2017



For and on behalf of the Board of Directors of  
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**NIHON AGRO SERVICE KABUSHIKI KAISHA**  
**STATEMENT OF CHANGES IN EQUITY**

FOR THE YEAR ENDED 31 MARCH, 2016

(Amount in INR)

Particulars	Equity Share Capital	Reserves & Surplus	Items of other comprehensive income	Total equity
		Retained Earnings	Foreign Currency translation reserve	
As on 01.04.2015	59,420			59,420
Net Profit for the period				-
Other comprehensive income			(617)	(617)
<b>Total Comprehensive Income</b>			<b>(617)</b>	<b>(617)</b>
As on 31.03.2016	59,420	-	(617)	58,803

FOR THE YEAR ENDED 31 MARCH, 2017

(Amount in INR)

Particulars	Equity Share Capital	Reserves & Surplus	Items of other comprehensive income	Total equity
		Retained earnings	Foreign Currency translation reserve	
As on 01.04.2016	59,420		(617)	58,803
Net Profit for the period		(36,141)		(36,141)
Other comprehensive income			1,626	1,626
<b>Total Comprehensive Income</b>		<b>(36,141)</b>	<b>1,626</b>	<b>(34,515)</b>
As on 31.03.2017	59,420	(36,141)	1,009	24,288

As per our report of even date  
For V.K.BESWAL & ASSOCIATES  
CHARTERED ACCOUNTANTS  
Firm Registration No. 101083W



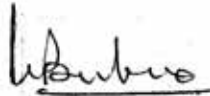
CA K.V.BESWAL  
[PARTNER]

Membership Number - 131054  
PLACE : MUMBAI

Date: 17 APR 2017



For and on behalf of the Board of Directors of  
Nihon Agro Service Kabushiki Kaisha



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**NIHON AGRO SERVICE KABUSHIKI KAISHA**  
**CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2017**

(Amount in INR)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
<b>Cash flow from operating activities</b>		
Profit before tax from continuing operations	7	-
<b>Profit before tax</b>		
Adjustments to reconcile profit before tax to net cash flows		
Exchange difference on translation of assets and liabilities	1,626	(617)
<b>Operating profit before working capital changes</b>	<b>1,633</b>	<b>(617)</b>
Movements in working capital :		
Increase/ (decrease) in current financial liabilities	(150,257)	203,237
Increase/ (decrease) in other current Asset		
<b>Cash generated from / (used in) operations</b>		
Direct taxes paid (net of refunds)	(36,148)	-
<b>Net cash flow from/ (used in) operating activities (A)</b>	<b>(184,772)</b>	<b>202,620</b>
<b>Cash flows from investing activities</b>		
<b>Net cash flow from/ (used in) investing activities (B)</b>	-	-
<b>Cash flows from financing activities</b>		
<b>Net cash flow from/ (used in) in financing activities (C)</b>	-	-
<b>Net increase/(decrease) in cash and cash equivalents (A + B + C)</b>	<b>(184,772)</b>	<b>202,620</b>
Cash and cash equivalents at the beginning of the year	708,521	505,901
<b>Cash and cash equivalents at the end of the year</b>	<b>523,749</b>	<b>708,521</b>
<b>Components of cash and cash equivalents</b>		
With banks- on current account	523,749	708,521
<b>Total cash and cash equivalents (Note 3)</b>	<b>523,749</b>	<b>708,521</b>

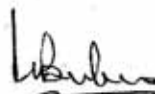
The accompanying notes are an integral part of the financial statements.

As per our report of even date  
For V.K.BESWAL & ASSOCIATES  
CHARTERED ACCOUNTANTS  
Firm Registration No. 101083W

For and on behalf of the Board of Directors of  
Nihon Agro Service Kabushiki Kaisha



CA K.V.BESWAL  
[PARTNER]  
Membership Number - 131054  
PLACE : MUMBAI  
Date: 17 APR 2017

R.V. BUBNA  
AUTHORISED SIGNATORY

## 1. Corporate information

Nihon Agro Service Kabushiki Kaisha (the company) was incorporated on 27.11.2015 in Japan. The company was acquired by Sharda Cropchem Limited on 21.03.2016

Nihon Agro Service Kabushiki Kaisha is engaged in the business of dealing in agrochemical products in Japan.

## 2. Basis of preparation

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements up to year ended 31 March 2016, were prepared in accordance with the accounting standards notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

These financial statements are the first financial statements of the company under Ind AS.

The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which

- Derivative financial instruments
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),

### 2.1 Summary of significant accounting policies

#### (a) Use of estimates

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

#### (b) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment, if any. Cost comprises of the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Depreciation is provided after impairment, if any, using the straight-line method as per the useful lives of the assets estimated by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

On transition to Ind AS, the company has elected to continue with the carrying value of all its property, plant and equipment recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

#### (c) Intangible assets and amortisation

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Product registration costs generally comprise of costs incurred towards creating product dossiers, fees paid to registration consultants, application fees to the ministries, data compensation costs, data call-in costs and fees for task-force membership.





In situations where consideration for data compensation is under negotiation and is pending finalisation of contractual agreements, cost is determined on a best estimate basis by the management, and revised to actual amounts on conclusion of agreements.

**Product Registration**

Product Registration expenses and Data Compensation charges are amortised on a straight-line basis over a period of five years.

**Computer Software**

Expenses on implementation of Computer Software are amortised on a straight-line basis over a period of four years.

**Research and Development costs**

Research costs are expensed as incurred. Development expenditure is carried forward when its future recoverability can reasonably be regarded as assured and is amortized over the period of expected future benefit. During the period of development, the assets under development are tested for impairment annually.

On transition to Ind AS, the company has elected to continue with the carrying value of all its intangible assets recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the intangible assets.

**(d) Impairment of assets**

The carrying amount of assets at each balance sheet date is reviewed for impairment. If an indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value using a pre-tax discount rate, that reflects current market assessment of the time value of money and the risks specific to the asset.

(ii) After impairment, depreciation/amortisation is provided on the revised carrying amount of the asset over its remaining useful life.

**(e) Investments and other financial assets**

**i) Classification**

The company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The company reclassifies debt investments when and only when its business model for managing those assets changes.

**(ii) Measurement**

At initial recognition, the company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of

**Debt instruments**

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the company classifies its debt instruments:



• **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

• **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

• **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

#### **Equity instruments**

The company subsequently measures all equity investments at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the company's right to receive payments is established. Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at

#### **(iii) Impairment of financial assets**

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

#### **(iv) Derecognition of financial assets**

A financial asset is derecognised only when

- The company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash

Where the entity has transferred an asset, the company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the company has not retained control of the financial asset. Where the company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

#### **(f) Income recognition**

Interest income

Interest income from debt instruments is recognised using the effective interest rate method.

Dividends



Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the company, and the amount of the dividend can be measured reliably.

**(g) Inventories**

Raw materials, traded goods and finished goods are valued at lower of cost or net realizable value. Cost includes direct material and direct expenses. Cost is determined on a weighted average basis as per individual location which is done on specific identification of batches. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sales.

**(h) Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank.

**(i) Revenue**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

**Sale of goods**

Revenue is recognized when the significant risks and rewards of ownership of the goods have been passed to the buyer. Revenues from the sale of goods in the ordinary course of business is measured net of returns and discounts. The company operates a loyalty programme where customers accumulate points for purchases made. Revenue related to the award points is deferred and recognised when the points are redeemed. The amount of revenue is based on the number of points redeemed relative to the total number expected to be redeemed.

**(j) Foreign currency translation**

**(i) Functional and presentation currency**

The financial statements are presented in INR which is functional and presentation currency of parent company.

**(ii) Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income.

**(k) Income tax**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.



The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the Japan where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

**(l) Leases**

**As a lessee**

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases are charged to the income statement on a straight-line basis over the period of the lease.

**(m) Provisions and Contingent Liabilities**

**Provisions**

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

**Contingent Liabilities**

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

**(n) Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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



3 Cash & Cash equivalents

Particulars	As at 31-March-2017	As at 31-March-2016
Balance with Bank	523,749	708,521
<b>Total</b>	<b>523,749</b>	<b>708,521</b>

4 Share Capital

Particulars	As at 31-March-2017	As at 31-March-2016
	INR	INR
<b>Authorised shares</b> 10 shares of JPY\$ 10000 each	59,420	59,420
<b>Issued and Subscribed shares</b> 10 shares of JPY\$ 10000 each	59,420	59,420
<b>Total Issued and Subscribed share capital</b>	<b>59,420</b>	<b>59,420</b>

B Reconciliation of the shares outstanding at the beginning and at the end of the reporting Year ended 31-March-2017

Particulars	Equity Shares		Equity Shares	
	As at 31-March-2017		As at 31-March-2016	
	Number	INR	Number	INR
At the beginning of the Year ended	10	59,420	-	-
Issued during the Year	-	-	10	59,420
<b>Outstanding at the end of the Year</b>	<b>10</b>	<b>59,420</b>	<b>10</b>	<b>59,420</b>

C Details of shareholders holding more than 5% of shares in the company

Name of Shareholder	As at 31-March-2017		As at 31-March-2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Sharda Cropchem Limited	10	100.00%	10	100.00%

5 Reserves and Surplus

Particulars	As at 31-March-2017	As at 31-March-2016
<b>Surplus</b>		
Balance as per the last financial statement	-	-
Add : Profit for the year	(36,141)	-
Closing Balance	(36,141)	-
<b>Foreign Currency Translation Reserve</b>		
Balance as per the last financial statement	(617)	-
Add : Transfer during the year	1,628	(617)
Closing Balance	1,009	(617)
<b>Total</b>	<b>(35,132)</b>	<b>(617)</b>

6 Other current liabilities

Particulars	As at 31-March-2017	As at 31-March-2016
Other payable	499,461	649,718
<b>Total</b>	<b>499,461</b>	<b>649,718</b>

7 Other Income

Particulars	Year ended 31-March-2017	Year ended 31-March-2016
Other Income	2,274,737	-
Bank Interest	29	-
<b>Total</b>	<b>2,274,766</b>	<b>-</b>



8 Employee benefit expenses

Particulars	Year ended 31-March-2017	Year ended 31-March-2016
Salary	1,454,742	-
Director's remuneration	457,146	-
	<b>1,911,888</b>	-

9 Other expenses

Particulars	Year ended 31-March-2017	Year ended 31-March-2016
Accounting fees	40,178	-
Professional Fee	225,628	-
Stationary	28,428	-
Bank Charges	3,013	-
Internet Charges	5,357	-
Rent	60,267	-
<b>Total</b>	<b>362,871</b>	-

10 Fair Value Measurements

	As at 31 Mar 2016			As at 31 Mar 2015		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
<b>Financial Assets</b>						
Cash and cash equivalents			523,749			708,521
<b>Total Financial Assets</b>	-	-	<b>523,749</b>	-	-	<b>708,521</b>

11 Contingent liabilities and Commitments

Particulars	As at 31-March-2017	As at 31-March-2016
	INR	INR
Contingent liabilities	NIL	NIL
Commitments	NIL	NIL

12 Earnings per share (EPS)

Particulars	Year ended 31-March-2017	Year ended 31-March-2016
	INR	INR
<b>Basic and diluted earning per share:</b>		
Profit after taxation as per statement of profit and loss	(36,141)	-
Weighted average number of equity shares outstanding	10	10
<b>Basic and diluted earning per share</b>	<b>(3,614)</b>	<b>-</b>
Nominal Value of equity share (JPY)	10,000	10,000

13 Segment reporting

The Company operates in a single and related business segment viz. Agro Chemicals . Therefore, the

14 Previous year figures

The previous year figures have been regrouped, rearranged wherever necessary to compare this year figures.

As per our report of even date

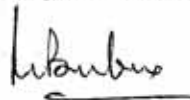
For V.K.BESWAL & ASSOCIATES  
CHARTERED ACCOUNTANTS  
Firm Registration No. 101083W



CA K. V. BESWAL  
[PARTNER]  
Membership Number - 131054  
PLACE : MUMBAI  
Date: 17 APR 2017



For and on behalf of the Board of Directors of  
Nihon Agro Service Kabushiki Kaisha



R.V. BUBNA  
AUTHORISED SIGNATORY

