



**Independent Auditors Report**

To,

**The Members of Axis Crop Science Private Limited.**

**Report on the Standalone IND AS Financial Statements**

**Opinion**

We have audited the standalone IND AS financial statements of Axis Crop Science Private Limited ("the Company"), which comprise the balance sheet as at 31st March 2019, and the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (herein after referred to as "standalone IND AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 including the IND AS, of the state of affairs of the Company as at 31<sup>st</sup> March, 2019 and its financial performance including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the standalone IND AS financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.



### **Material uncertainty related to Going Concern**

We draw attention to Note 12A in the standalone IND AS financial statement indicates that the Company has accumulated losses and its net worth is about to be eroded. The Company has incurred a net loss during the year, along with the other matter set forth in Note 12A, indicating the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, the standalone IND AS financial statement of the Company has been prepared on a going concern basis, as the management is fully supported by the Holding Company for its future cashflow requirements.

Our opinion is not modified in respect of this matter.

### **Key Audit Matters**

We have determined that there are no other key audit matters to communicate in our report beyond matter addressed in the Material Uncertainty Related to Going Concern section of our report

### **Other Information**

Management is responsible for the other information. The other information comprises the information included in the "Annual Report", but does not include the financial statements and our Auditor's Report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibility for the Standalone 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 IND AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act.





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 implementation and maintenance of 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 IND AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone IND AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone IND AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SA's, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone IND AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.





- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone IND AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone IND AS financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone IND AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the branch auditors and other auditors on the separate financial statements/ financial information of the branches and joint operations/ jointly controlled operations, referred to in the Other Matters section above we report, to the extent applicable that:



- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company and its joint operation companies so far as it appears from our examination of those books
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account
- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) The matter described in the Material uncertainty related to Going Concern section above, in our opinion, may have an adverse effect on the functioning of the Company.
- f) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
- g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has no pending litigations which would impact 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.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.



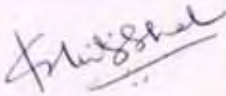


2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For Kshitij Shah & Associates**

**(Chartered Accountants)**

**Firm Regn. No. 138439W**



**Kshitij S. Shah**

**Proprietor**

**M. No. 144663**



**Place: Mumbai**

**Date: 10<sup>th</sup> May, 2019**



**\* ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

**Report on the Internal Financial Controls Over Financial Reporting 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 Axis Crop Science Private Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone IND AS financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company 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 the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.





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

We believe that the audit evidence we have obtained and the audit evidence 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





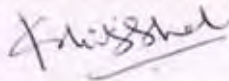
error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the criteria for internal financial control over financial reporting established by the respective Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

**For Kshitij Shah & Associates**

**(Chartered Accountants)**



**Firm Regn. No. 138439W**

**Kshitij S. Shah**

**Proprietor**

**M. No. 144663**



**Place: Mumbai**

**Date: 10<sup>th</sup> May, 2019**



**ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (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 program of verification of fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us no material discrepancies were noticed on such verification.
  - c) The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
- (ii) **In respect of its inventories:**
- (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.
  - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to 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 has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loans, secured or unsecured, to any parties covered in the Register maintained under Section 189 of the Companies Act, 2013. Accordingly, paragraph (iii) (b) & (c) of the Order is not applicable to the Company in respect of repayment of the principal amount.
- (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.
- (v) The Company has not accepted any deposits from the public.



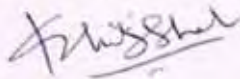


- (vi) The Central Government has not prescribed the maintenance of cost records under the section 148(1) of the Act, for the business activities carried out by the Company. Thus, reporting under clause 3(vi) of the order is not applicable to the Company.
- (vii) (a) According to the information and explanation 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 provident fund, income tax, sales tax, value 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.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31<sup>st</sup> March, 2019 for a period of more than six months from the date they became payable.
- (c) According to the information and explanation given to us, there are no material dues of wealth tax, VAT, service tax and cess which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) The company does not have any loans and borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the order is not applicable.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company has not paid / provided for managerial remuneration and hence, the requisites approvals mandated by the provisions of section 197 read with Schedule V to the Act does not apply.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not 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 IND AS financial statements as required by the applicable accounting standards.
- (xiv) Accordingly to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year .



- (xv) According to the information and explanation given to us and based on our examination the record 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 Kshitij Shah & Associates**  
**(Chartered Accountants)**  
**Firm Regn. No. 138439W**



**Kshitij S. Shah**  
**Proprietor**  
**M. No. 144663**



**Place: Mumbai**  
**Date: 10<sup>th</sup> May, 2019**



**AXIS CROP SCIENCE PRIVATE LIMITED**  
**CIN: U01100MH2009PTC189472**  
**BALANCE SHEET AS AT MARCH 31, 2019**

(Amt. in Lakhs)

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	4.52	8.59
Intangible assets	4	0.02	0.05
Deferred tax assets (net)	6	-	-
<b>Financial assets</b>			
Deposits with bank	5	0.15	0.15
Non current tax assets	6	0.03	0.03
Other non current assets	7	52.44	113.51
<b>(A)</b>		<b>57.16</b>	<b>122.34</b>
<b>Current assets</b>			
Inventories	8	118.94	226.86
<b>Financial assets</b>			
Trade receivables	9	329.67	720.12
Cash and cash equivalents	10	41.08	35.05
Bank balance other than cash and cash equivalents above	10	-	-
Other current assets	11	54.21	23.33
<b>(B)</b>		<b>543.90</b>	<b>1,005.36</b>
<b>TOTAL ASSETS (A+B)</b>		<b>601.06</b>	<b>1,127.69</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	12	500.00	500.00
Other equity	12A	(491.62)	(488.85)
<b>Total equity (C)</b>		<b>8.38</b>	<b>11.15</b>
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	13	346.63	624.76
Deferred tax liabilities (net)	6	-	-
Provisions	14	14.59	20.56
<b>(D)</b>		<b>361.22</b>	<b>645.32</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Trade payables	15	156.86	316.38
Other financial liabilities	16	35.24	74.94
Other current liabilities	17	32.00	77.74
Provisions	14	7.36	2.16
<b>(E)</b>		<b>231.46</b>	<b>471.22</b>
<b>TOTAL LIABILITIES (C+D+E)</b>		<b>601.06</b>	<b>1,127.69</b>
<b>Summary of significant accounting policies</b>	2.1		

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

As per our report of even date  
For Kshitij Shah & Associates  
Firm Registration No. 138439W  
Chartered Accountants

Kshitij Shah  
Proprietor  
Membership Number - 104663



For AXIS CROP SCIENCE PRIVATE LIMITED

R. V. Bubna  
Director  
DIN: 00136568

Ashish R. Bubna  
Director  
DIN: 00945147



Pooja Dongre  
Company Secretary

Place: Mumbai  
Date: 10th May, 2019

Place: Mumbai  
Date: 10th May, 2019

**AXIS CROP SCIENCE PRIVATE LIMITED**  
**CIN: U01100MH2009PTC189472**  
**STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2019**

(Amt. in Lakhs)

Particulars	Note No.	Year ended March 31, 2019	Year ended March 31, 2018
<b>Income:</b>			
Revenue from operations (net)	18	708.40	918.76
Other income	19	145.32	511.18
<b>Total income</b>		<b>853.72</b>	<b>1,429.94</b>
<b>Expenses:</b>			
Purchase of traded goods		450.63	468.24
Change in inventories of traded goods	20	107.92	296.82
Employee benefits expenses	21	91.00	165.78
Finance costs	22	42.80	98.31
Depreciation and amortization expenses	23	1.47	2.18
Other expenses	24	167.46	419.38
<b>Total expense</b>		<b>861.28</b>	<b>1,450.71</b>
<b>Profit / (loss) before tax</b>		<b>(7.56)</b>	<b>(20.77)</b>
<b>Tax expenses:</b>			
Current tax		-	-
Adjustment of tax relating to earlier periods		-	-
Deferred tax		-	-
<b>Total tax expense</b>		<b>-</b>	<b>-</b>
<b>Profit / (loss) after tax</b>		<b>(7.56)</b>	<b>(20.77)</b>
<b>Other comprehensive income (net of tax)</b>			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of the net defined benefit liability / asset	26	4.79	8.99
<b>Total comprehensive income (comprising profit (loss) and other comprehensive income)</b>		<b>(2.77)</b>	<b>(11.78)</b>
<b>Earnings per equity share</b>	25		
Face value per share (Rs.)		10.00	10.00
Basic and diluted earnings per equity share (Rs. Per share)		(0.15)	(0.42)
<b>Summary of significant accounting policies</b>	2.1		

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

As per our report of even date  
For Kshitij Shah & Associates  
Firm Registration No. 138439W  
Chartered Accountants

**Kshitij Shah**  
Proprietor  
Membership Number - 144663



For AXIS CROP SCIENCE PRIVATE LIMITED



**R. V. Bubna**  
Director  
DIN: 00136568

**Ashish R. Bubna**  
Director  
DIN: 00945147

**Pooja Dongre**  
Company Secretary

Place: Mumbai  
Date: 10th May, 2019

Place: Mumbai  
Date: 10th May, 2019



**AXIS CROP SCIENCE PRIVATE LIMITED**  
**CIN: U01100MH2009PTC189472**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019**

**Amendment to Ind AS 7**

financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement. The adoption of amendment did not have any material effect on the financial statements.

Particulars	(Amt. in Lakhs)	
	As at March 31, 2019	As at March 31, 2018
<b>Cash flow from operating activities</b>		
Profit / (loss) before tax from continuing operations	(7.56)	(20.77)
<b>Profit / (loss) before tax</b>	<b>(7.56)</b>	<b>(20.77)</b>
<b>Non-cash adjustment to reconcile profit before tax to net cash flows</b>		
Depreciation / amortization on continuing operation	1.47	2.18
Loan Waived by Holding Company	(140.00)	(510.00)
Provision for gratuity	4.04	8.71
Bad debts	73.78	276.41
Loss/(Gain) on Sale of Fixed Asset	(1.37)	0.07
Fixed Asset Written Off	2.63	-
Interest expense	42.80	98.31
Dividend income	-	-
Interest income	(0.01)	(0.34)
<b>Operating profit before working capital changes</b>	<b>(24.22)</b>	<b>(145.42)</b>
Increase / (decrease) in trade payables	(159.54)	(298.75)
Increase / (decrease) in other financial liabilities	(42.79)	(38.28)
Increase / (decrease) in other current liabilities	(46.07)	(13.27)
Increase/(decrease) in current provisions	-	(2.91)
Increase/(decrease) in non current provisions	-	-
Decrease / (increase) in trade receivables	316.67	648.19
Decrease / (increase) in inventories	107.91	296.82
Decrease / (increase) in other current assets	(30.88)	(13.39)
Decrease / (increase) in other non current assets	61.06	(107.48)
<b>Cash generated from / (used in) operations</b>	<b>182.14</b>	<b>325.51</b>
Direct taxes paid (net of refunds)	-	0.01
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>182.14</b>	<b>325.51</b>
<b>Cash flows from investing activities</b>		
Purchase of fixed assets, including capital work - in - progress and capital advances	-	(0.13)
Sale of Fixed Assets	1.37	0.12
Redemption of current investments	-	-
Purchase of current investments	-	-
Bank deposits	-	4.40
Dividends received	-	-
Interest income	0.01	0.33
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>1.38</b>	<b>4.73</b>
<b>Cash flows from financing activities</b>		
Proceeds from issuance of equity share capital	-	-
Proceeds from long-term borrowings	-	-
Repayment of long term borrowings	(138.13)	(251.69)
Proceeds from short-term borrowings	-	-
Repayment of short-term borrowings	-	-
Interest expense	(39.36)	(98.31)
<b>Net cash flow from / (used in) financing activities (C)</b>	<b>(177.49)</b>	<b>(350.00)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A + B + C)</b>	<b>6.03</b>	<b>(19.76)</b>
Cash and cash equivalents at the beginning of the year	35.05	54.81
<b>Cash and cash equivalents at the end of the year</b>	<b>41.08</b>	<b>35.05</b>
<b>Components of cash and cash equivalents</b>		
Cash on hand	0.18	0.02
With banks in current account	40.90	35.03
<b>Total cash and cash equivalents</b>	<b>41.08</b>	<b>35.05</b>
Summary of significant accounting policies	2.1	

As per our report of even date  
For Kshitij Shah & Associates  
Firm Registration No. 138439W  
Chartered Accountants

Kshitij Shah  
Proprietor  
Membership Number - 144663



For AXIS CROP SCIENCE PRIVATE LIMITED

R. V. Bubna  
Director  
DIN: 00136568

Ashish R. Bubna  
Director  
DIN: 00945147

Pooja Dongre  
Company Secretary

Place: Mumbai  
Date: 10th May, 2019

Place: Mumbai  
Date: 10th May, 2019

**AXIS CROP SCIENCE PRIVATE LIMITED**

**Note 12A : Statement of changes in equity for the year ended March 31, 2019**

(Amt. in Lakhs)

Particulars	Equity share capital	Reserves & surplus		Other comprehensive income	Total equity attributable to equity holders of the Company
		Securities premium	Retained earnings	Remeasurement of the net defined benefit liability / asset	
As on April 01, 2017	500.00	20.00	(499.27)	2.20	22.93
Increase in share capital	-	-	-	-	-
Profit / (loss) for the period	-	-	(20.77)	-	(20.77)
Remeasurement of the defined benefit liability / assets, net of tax effect	-	-	-	8.99	8.99
<b>Total comprehensive income</b>	-	-	<b>(20.77)</b>	<b>8.99</b>	<b>(11.78)</b>
As on March 31, 2018	500.00	20.00	(520.04)	11.19	11.15

(Amt. in Lakhs)

Particulars	Equity share capital	Reserves & surplus		Other comprehensive income	Total equity attributable to equity holders of the Company
		Securities premium	Retained earnings	Remeasurement of the net defined benefit liability / asset	
Balance as on April 01, 2018	500.00	20.00	(520.04)	11.19	11.15
Profit / (loss) for the period	-	-	(7.56)	-	(7.56)
Remeasurement of the defined benefit liability / assets, net of tax effect	-	-	-	4.79	4.79
<b>Total comprehensive income</b>	-	-	<b>(7.56)</b>	<b>4.79</b>	<b>(2.77)</b>
Balance as on March 31, 2019	500.00	20.00	(527.60)	15.98	8.38

Note: The company has prepared its books on going concern basis though its net worth has been eroded based on the letter of support received from its parent holding company stating that it will continue to fund the company till the company is capable of generating its own funds.

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

As per our report of even date  
For Kshitij Shah & Associates  
Firm Registration No. 138439W  
Chartered Accountants

Kshitij Shah  
Proprietor  
Membership Number - 144663



For AXIS CROP SCIENCE PRIVATE LIMITED

R. V. Bubna  
Director  
DIN: 00136568

*Ashish R. Bubna*

Ashish R. Bubna  
Director  
DIN: 00945147

*Pooja Dongre*  
Pooja Dongre  
Company Secretary

Place: Mumbai  
Date: 10th May, 2019

Place: Mumbai  
Date: 10th May, 2019



**AXIS CROP SCIENCE PRIVATE LIMITED**

**Notes to financial statements for the year ended March 31, 2019**

**NOTE 1. CORPORATE INFORMATION**

Axis Crop Science Private Limited ('Company') is a private limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The company is engaged in marketing and distribution of agro chemicals, i.e. insecticides and pesticides in India.

**Basis of preparation:**

The financial statements of the Company are prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, under the historical cost convention on the accrual basis except for derivative financial instruments and certain financial assets and liabilities which have been measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Effective April 1, 2016, the Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101 – First time adoption of Indian Accounting Standards, with April 1, 2015 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Sec 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

**Significant Accounting Policies:**

**a) Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash and Cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled with twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

**b) Foreign currency translation**

The Company's financial statements are presented in Indian Rupee (INR), which is also the Company's functional currency.

**Transactions and balances**

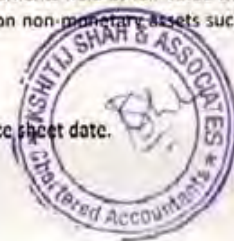
Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign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

**c) Fair value measurement**

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.



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**AXIS CROP SCIENCE PRIVATE LIMITED**

**Notes to financial statements for the year ended March 31, 2019**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 -	Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2 -	Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Level 3 -	Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions (Note 28)
- Financial Instruments (including those carried at amortised cost) (Note 28)

**d) Revenue Recognition**

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.

Interest:

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

Dividends:

Dividend income is recognised in profit and loss only when the Company's right to receive dividend is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of dividend can be measured reliably.

**e) Taxes**

**Current income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.





**AXIS CROP SCIENCE PRIVATE LIMITED**

**Notes to financial statements for the year ended March 31, 2019**

**Deferred tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

**f) Use of Estimates**

The preparation of financial statements in conformity with Indian Accounting Standards 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.

The areas involving use of estimates and judgements are:  
Estimated useful life of intangible assets  
Estimation of defined benefit obligation (gratuity benefits)  
Revenue recognition

**g) Property, Plant and Equipment and Depreciation**

The Company has elected to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost in accordance with the exemption provided under Ind AS 101.

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost comprises 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, or at rates prescribed under Schedule II of The Companies Act, 2013. The Company has used the following useful lives to provide depreciation on its fixed assets.

Asset class	Estimated useful life (years)
Furniture & fixtures	10
Motor car	8
Office equipments	5
Computer	3
Cylinders	15

An item of property, plant and equipment and any significant part initially recognised or derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

**h) 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.

The useful lives of intangible assets are assessed as finite.





**AXIS CROP SCIENCE PRIVATE LIMITED**

**Notes to financial statements for the year ended March 31, 2019**

Intangible assets are amortised over the useful economic life. The amortisation period and the amortisation method for an intangible asset are reviewed at the end of each reporting period. Changes in the expected useful life are considered to modify the amortisation period, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets is recognised in the statement of profit and loss.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

**Computer Software**

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

**i) Leases**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered prior to 01 April 2015, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

**Group as a lessee**

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

**j) Inventories**

Inventories are valued at lower of cost or net realisable 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.

**k) Impairment of non financial assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

**l) Provision**

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.

**m) 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) Retirement and other employee benefits**

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service.





## **AXIS CROP SCIENCE PRIVATE LIMITED**

### **Notes to financial statements for the year ended March 31, 2019**

Gratuity liability is a defined benefit obligation which is provided for on the basis of an actuarial valuation on projected unit cost method made at the end of each financial year. Actuarial gains / (losses) are recognised directly in other comprehensive income. The Company determines the net interest on the net defined benefit liability (asset) in respect of a defined benefit by multiplying the net liability (asset) in respect of a defined benefit by the discount rate used to measure the defined benefit obligation as they were determined at the beginning of the annual reporting period.

Accumulated leave is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

#### **o) Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### **Financial assets**

##### **Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

##### **Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

##### **Debt instruments at amortised cost**

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

##### **Debt instrument at FVTOCI**

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value

##### **Debt instrument at FVTPL**

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

#### **Equity investments**

Investments in subsidiaries and associates are carried at cost. All other equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable





**AXIS CROP SCIENCE PRIVATE LIMITED**

**Notes to financial statements for the year ended March 31, 2019**

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of amounts from OCI to the statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

**Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's consolidated balance sheet) when:

- (i) The rights to receive cash flows from the asset have expired, or
- (ii) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
  - (a) the Company has transferred substantially all the risks and rewards of the asset, or
  - (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

**Impairment of financial assets**

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b) Financial assets that are debt instruments and are measured as at FVTOCI
- c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18 (referred to as 'contractual revenue receivables' in these financial statements)

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables and
- Other receivables

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:





## **AXIS CROP SCIENCE PRIVATE LIMITED**

### **Notes to financial statements for the year ended March 31, 2019**

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

#### **Financial liabilities**

##### **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit and loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables and loans and borrowings.

##### **Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

##### **Financial Liabilities at fair value through profit and loss**

Financial liabilities at fair value through profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit and loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains / losses attributable to changes in own credit risk are recognized in OCI. These gains / loss are not subsequently transferred to profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit and loss.

##### **Loans and borrowings**

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognized in profit and loss when the liabilities are derecognized as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

##### **Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

##### **Reclassification of financial assets**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.





**AXIS CROP SCIENCE PRIVATE LIMITED****Notes to financial statements for the year ended March 31, 2019**

The following table shows various reclassification and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in profit and loss.
FVTPL	Amortised cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value.  Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

**p) 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.

**q) 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.

**Ind AS 115 - Revenue from Contract with Customers:**

On March 28, 2018, Ministry of Corporate Affairs has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

1. Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors
2. Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach).

The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018.

The Company will adopt the standard on April 1, 2018 by using the cumulative catch-up transition method and accordingly comparatives for the year ending or ended March 31, 2018 will not be retrospectively adjusted. The effect on adoption of Ind AS 115 is expected to be insignificant.





**AXIS CROP SCIENCE PRIVATE LIMITED**

**Notes to financial statements for the year ended March 31, 2019**

**Recent accounting pronouncements**

Initial assessment has been carried out by the Company but the possible quantitative impact on initial application of Ind AS 116 is not reasonably estimable.

**Ind AS 116, Leases**

The Company is required to adopt Ind AS 116, Leases from 1 April 2019. Ind AS 116 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items.

The Company has completed an initial assessment of the potential impact on its standalone / consolidated financial statements but has not yet completed its detailed assessment. The quantitative impact of adoption of Ind AS 116 on the standalone/ consolidated financial statements in the period of initial application is not reasonably estimable as at present.

**i. Leases in which the Company is a lessee**

The Company will recognise new assets and liabilities for its operating leases of offices. The nature of expenses related to those leases will now change because the Company will recognise a depreciation charge for right-of-use assets and interest expense on lease liabilities.

The Company will include the payments due under the lease in its lease liability and apply Ind AS 36, Impairment of Assets to determine whether the right-of-use asset is impaired and to account for any impairment.

**ii. Transition**

The Company plans to apply Ind AS 116 initially on 1 April 2019, using the modified retrospective approach. Therefore, the cumulative effect of adopting Ind AS 116 will be recognised as an adjustment to the opening balance of retained earnings at 1 April 2019, with no restatement of comparative information.

The Company plans to apply the practical expedient to grandfather the definition of a lease on transition. This means that it will apply Ind AS 116 to all contracts entered into before 1 April 2019 and identified as leases in accordance with Ind AS 17.



**AXIS CROP SCIENCE PRIVATE LIMITED**

Notes to financial statements for the year ended March 31, 2019

(Amt. in Lakhs)

**Note 3: Property, plant and equipment**

Particulars	Furniture & fixtures	Motor car	Office equipments	Computers	Plant and Equipment (Owned)	Total
<b>Gross carrying value:</b>						
At 1st April 2017	0.74	3.00	1.12	1.01	9.42	15.29
Additions	-	-	0.13	-	-	0.13
Disposals	0.14	-	0.52	-	-	0.66
At 31st March 2018	0.60	3.00	0.73	1.01	9.42	14.77
<b>Accumulated depreciation:</b>						
At 1st April 2017	0.14	1.68	0.46	0.74	1.48	4.50
Disposals	0.06	-	0.41	-	-	0.47
Depreciation charge during the year	0.08	0.84	0.76	0.22	0.75	2.15
At 31st March 2018	0.16	2.52	0.31	0.96	2.23	6.18
<b>Carrying value:</b>						
At 1st April 2017	0.60	1.32	0.66	0.27	7.94	10.79
At 31st March 2018	0.43	0.48	0.43	0.05	7.19	8.59

(Amt. in Lakhs)

Particulars	Furniture & fixtures	Motor car	Office equipments	Computers	Plant and Equipment (Owned)	Total
<b>Gross carrying value:</b>						
At 1st April 2018	0.60	3.00	0.73	1.01	9.42	14.77
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	3.70	3.70
At 31st March 2019	0.60	3.00	0.73	1.01	5.72	11.07
<b>Accumulated depreciation:</b>						
At 1st April 2018	0.16	2.52	0.31	0.96	2.23	6.18
Disposals	-	-	-	-	1.07	1.07
Depreciation charge during the year	0.07	0.48	0.17	0.05	0.67	1.44
At 31st March 2019	0.23	3.00	0.48	1.01	1.83	6.55
<b>Carrying value:</b>						
At 1st April 2018	0.44	0.48	0.42	0.05	7.19	8.59
At March 31, 2019	0.37	(0.00)	0.25	0.00	3.89	4.52

**Note 4: Other intangible assets**

(Amt. in Lakhs)

Particulars	Computer software	Total
<b>Gross carrying value:</b>		
At 1st April 2017	0.60	0.60
Additions	-	-
Disposals	-	-
At 31st March 2018	0.60	0.60
<b>Accumulated depreciation:</b>		
At 1st April 2017	0.51	0.51
Disposals	-	-
Amortisation during the year	0.04	0.04
At 31st March 2018	0.55	0.55
<b>Carrying value:</b>		
At 1st April 2017	0.09	0.09
At 31st March 2018	0.05	0.05

(Amt. in Lakhs)

Particulars	Computer software	Total
<b>Gross carrying value:</b>		
At 1st April 2018	0.60	0.60
Additions	-	-
Disposals	-	-
At 31st March 2019	0.60	0.60
<b>Accumulated depreciation:</b>		
At 1st April 2018	0.55	0.55
Disposals	-	-
Amortisation during the year	0.04	0.04
At 31st March 2019	0.59	0.59
<b>Carrying value:</b>		
At 1st April 2018	0.05	0.05
At 31st March 2019	0.02	0.02





**AXIS CROP SCIENCE PRIVATE LIMITED**

Notes to financial statements for the year ended March 31, 2019

(Amt. in Lakhs)

	As at March 31, 2019	As at March 31, 2018
<b>Note 5: Other non current financial assets</b>		
Deposits with maturity of more than 12 months	0.15	0.15
<b>Total</b>	<b>0.15</b>	<b>0.15</b>

Note: Bank deposits have been kept as bank guarantee for VAT / CST Registrations in Madhya Pradesh.

**Note 6: Income taxes**

Income tax expenses in the statement of profit and loss comprises

(Amt. in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Current income tax:</b>		
Current income tax charge	-	-
Adjustments in respect of current income tax of previous year	-	-
<b>Deferred taxes (expense)/benefit:</b>		
Relating to origination and reversal of temporary differences	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Income tax (expense)/benefit recognized in OCI**

Deferred tax relating to items recognised in OCI during the year:

(Amt. in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Net (gain)/loss on remeasurement of defined benefit plans	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

Reconciliation of tax rate and accounting profit multiplied by India's tax rate:

(Amt. in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Profit / (loss) from operations before income taxes	(7.56)	(20.77)
Tax @26% (India's tax rate)	-	-
Effect of deductible temporary differences now recognised as deferred tax assets/liabilities	-	-
<b>Income tax expense</b>	<b>-</b>	<b>-</b>

Non current tax assets

(Amt. in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Advance tax (Net of provision for income tax of Rs.Nil (31st March 2017: Rs.Nil)	0.03	0.03
<b>Total</b>	<b>0.03</b>	<b>0.03</b>



**AXIS CROP SCIENCE PRIVATE LIMITED**

**Notes to financial statements for the year ended March 31, 2019**

**Current tax liabilities (net)**

(Amt. in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Other provisions</b>		
Provision for income tax (Net of advance tax Rs.Nil (31st March 2017: Rs.Nil))	-	-
<b>Total</b>	-	-

**Deferred tax liability (net)**

(Amt. in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Deferred tax asset</b>		
Fixed assets: Impact of difference between tax depreciation and depreciation/amortization charged for financial reporting	-	-
Others (Provision for gratuity & leave encashment)	-	-
<b>Gross deferred tax asset</b>	-	-
<b>Deferred tax liability</b>		
Fixed assets: Impact of difference between tax depreciation and depreciation/amortization charged for financial reporting	-	-
<b>Gross deferred tax liability</b>	-	-
<b>Net deferred tax asset/ (liability)</b>	-	-

Note: Deferred tax asset has not been recognised since there is no reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

**Movement in deferred tax assets and liabilities during the years ended March 31, 2018 and March 31, 2019**

(Amt. in Lakhs)

Particulars	As at March 31, 2018	Recognized in income statement	As at March 31, 2019
<b>Deferred tax asset/ (liability)</b>			
Others (Provision for gratuity & leave encashment)	-	-	-
Fixed assets: Impact of difference between tax depreciation and depreciation/amortization charged for financial reporting	-	-	-
<b>Net deferred tax asset/ (liability)</b>	-	-	-

**Movement in deferred tax assets and liabilities during the years ended March 31, 2017 and March 31, 2018**

(Amt. in Lakhs)

Particulars	As at March 31, 2017	Recognized in income statement	As at March 31, 2018
<b>Deferred tax asset/ (liability)</b>			
Others (Provision for gratuity & leave encashment)	-	-	-
Fixed assets: Impact of difference between tax depreciation and depreciation/amortization charged for financial reporting	-	-	-
<b>Net deferred tax asset/ (liability)</b>	-	-	-

(Amt. in Lakhs)

Note 7: Other non current assets	As at March 31, 2019	As at March 31, 2018
Security deposits		
-For godown	0.66	1.05
Balance with satutory/ government authorities		
-Sales tax receivable	1.91	1.91
-Entry tax receivable	0.12	0.12
-GST receivable	49.75	110.43
<b>Total</b>	<b>52.44</b>	<b>113.51</b>





**AXIS CROP SCIENCE PRIVATE LIMITED**

Notes to financial statements for the year ended March 31, 2019

(Amt. in Lakhs)

Note 8: Inventories	As at	As at
	March 31, 2019	March 31, 2018
Traded Goods	118.94	226.86
<b>Total</b>	<b>118.94</b>	<b>226.86</b>

(Amt. in Lakhs)

Note 9: Trade receivables	As at	As at
	March 31, 2019	March 31, 2018
Related parties		
Others	403.44	996.53
Less: Bad debts	73.77	276.41
<b>Total</b>	<b>329.67</b>	<b>720.12</b>

(Amt. in Lakhs)

Note 9.1: Break-up for security details	As at	As at
	March 31, 2019	March 31, 2018
Trade receivables		
Secured, considered good	-	720.12
Unsecured, considered good	329.67	276.41
<b>Total</b>	<b>329.67</b>	<b>996.53</b>

(Amt. in Lakhs)

Note 10: Cash and cash equivalents	As at	As at
	March 31, 2019	March 31, 2018
Balances with banks:		
- Current account	40.90	35.03
Cash on hand	0.18	0.02
	<b>41.08</b>	<b>35.05</b>
Other bank balances:		
Fixed deposit account		
- Deposits with maturity of more than 3 months but less than 12 months	-	-
	<b>41.08</b>	<b>35.05</b>
<b>Total</b>	<b>41.08</b>	<b>35.05</b>

(Amt. in Lakhs)

Note 11: Other current assets	As at	As at
	March 31, 2019	March 31, 2018
Advance to suppliers	10.70	10.17
Prepaid expenses	0.41	0.29
Others	43.10	12.87
<b>Total</b>	<b>54.21</b>	<b>23.33</b>



**AXIS CROP SCIENCE PRIVATE LIMITED**

**Notes to financial statements for the year ended March 31, 2019**

(Amt. in Lakhs)

Note 12: Equity share capital	As at March 31, 2019	As at March 31, 2018
<b>Authorised shares</b> 50,00,000 (Previous year: 50,00,000) Equity shares of Rs. 10/- each	500.00	500.00
<b>Issued, subscribed and fully paid-up shares</b> 50,00,000 (Previous year: 50,00,000) Equity shares of Rs. 10/- each	500.00	500.00
<b>Total issued, subscribed and fully paid-up share capital</b>	<b>500.00</b>	<b>500.00</b>

**(a) Reconciliation of shares outstanding at the beginning and at the end of the reporting period:**

Equity shares	As at March 31, 2019		As at March 31, 2018	
	No. of shares	Rs.	No. of shares	Rs.
At the beginning of the year	5,000,000	500.00	5,000,000	500.00
Issued during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>5,000,000</b>	<b>500.00</b>	<b>5,000,000</b>	<b>500.00</b>

**(b) Terms/rights attached to equity shares:**

The Company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity share is entitled to one vote per share. The Company has not declared dividend since inception.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to number of equity shares held

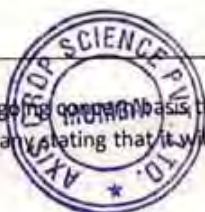
**(c) List of share holders holding more than 5% equity shares in the company:**

Names	As at March 31, 2019		As at March 31, 2018	
	No. of shares	%	No. of shares	%
M/s. Sharda Cropchem Ltd.	5,000,000	100.00	5,000,000	100.00

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

Note 12AA: Other equity	As at March 31, 2019	As at March 31, 2018
<b>Securities premium</b>		
Balance as per last financial statements	20.00	20.00
Add: shares issued at a premium	-	-
<b>Closing Balance (A)</b>	<b>20.00</b>	<b>20.00</b>
<b>Surplus / (deficit) in the statement of profit and loss</b>		
Balance as per last financial statements	(508.86)	(497.08)
Add: Profit / (loss) for the year	(7.56)	(20.77)
Add: Other comprehensive income	4.79	8.99
Less: Transfer to reserve (depreciation impact)	-	-
<b>Net surplus / (deficit) in the statement of profit and loss (B)</b>	<b>(511.62)</b>	<b>(508.86)</b>
<b>Total (A+B)</b>	<b>(491.62)</b>	<b>(488.86)</b>

Note: The company has prepared its books on going concern basis though its net worth has been eroded based on the letter of support received from its parent holding company stating that it will continue to fund the company till the company is capable of generating its own funds.





**AXIS CROP SCIENCE PRIVATE LIMITED**

Notes to financial statements for the year ended March 31, 2019

(Amt. in Lakhs)

Note 13: Borrowings	As at March 31, 2019	As at March 31, 2018
From director	9.26	9.26
From holding company	337.37	615.50
<b>Total</b>	<b>346.63</b>	<b>624.76</b>

Note 13.1: The above loans are repayable on demand and carry an interest rate of 8% p.a.

(Amt. in Lakhs)

Note 14: Provisions	As at March 31, 2019	As at March 31, 2018
<b>Non current:</b>		
Provision for employee benefits		
-Gratuity (Refer note 26)	14.59	20.56
<b>Total</b>	<b>14.59</b>	<b>20.56</b>
<b>Current:</b>		
Provision for employee benefits		
-Gratuity (Refer note 26)	7.36	2.16
Provision for cash discount	-	-
<b>Total</b>	<b>7.36</b>	<b>2.16</b>

(Amt. in Lakhs)

Note 15: Trade payables	As at March 31, 2019	As at March 31, 2018
Related parties	-	-
Others	156.86	316.38
<b>Total</b>	<b>156.86</b>	<b>316.38</b>

(Amt. in Lakhs)

Note 16: Other financial liabilities	As at March 31, 2019	As at March 31, 2018
Current maturity of long term borrowings	-	-
Interest accrued and due on borrowings	3.08	-
Other payables		
-Salary & bonus payable	16.22	46.61
-Staff expenses payable	15.94	28.33
<b>Total</b>	<b>35.24</b>	<b>74.94</b>

(Amt. in Lakhs)

Note 17: Other current liabilities	As at March 31, 2019	As at March 31, 2018
Statutory dues		
-Sales tax payable	-	-
-Entry tax payable	-	-
-Professional tax payable	-	-
-TDS payable	0.54	1.96
-GST payable	-	20.19
-Service tax payable	-	-
Other payables		
-Advances from customers	2.87	7.00
-Deposits from customers	13.40	45.90
-Promotional schemes	15.19	2.68
<b>Total</b>	<b>32.00</b>	<b>77.74</b>



**AXIS CROP SCIENCE PRIVATE LIMITED**

Notes to financial statements for the year ended March 31, 2019

(Amt. in Lakhs)

	As at March 31, 2019	As at March 31, 2018
<b>Note 18: Revenue from operations</b>		
Revenue from operations (net)	708.40	918.76
<b>Total</b>	<b>708.40</b>	<b>918.76</b>

(Amt. in Lakhs)

	As at March 31, 2019	As at March 31, 2018
<b>Note 19: Other income</b>		
<b>Interest income</b>		
-On fixed deposits	0.01	0.33
-On income tax refund	-	0.00
<b>Claims from customers</b>		
-On dishonour of cheques	2.00	0.84
Loan Waived by holding Company	140.00	510.00
<b>Miscellaneous income</b>		
	3.31	-
<b>Total</b>	<b>145.32</b>	<b>511.18</b>

(Amt. in Lakhs)

	As at March 31, 2019	As at March 31, 2018	(Increase) /decrease
<b>Note 20: Change in inventories of traded goods</b>			
<b>Inventories at the end of the year:</b>			
-Traded goods	118.94	226.86	107.92
<b>A</b>	<b>118.94</b>	<b>226.86</b>	<b>107.92</b>
<b>Inventories at the beginning of the year:</b>			
-Traded goods	226.86	523.68	296.82
<b>B</b>	<b>226.86</b>	<b>523.68</b>	<b>296.82</b>
<b>(B - A)</b>	<b>107.92</b>	<b>296.82</b>	

(Amt. in Lakhs)

	As at March 31, 2019	As at March 31, 2018
<b>Note 21: Employees benefit expense</b>		
Salaries, wages and bonus	82.99	149.44
Gratuity (Refer note 26 )	4.04	8.71
Staff welfare expenses	3.97	7.62
<b>Total</b>	<b>91.00</b>	<b>165.78</b>





**AXIS CROP SCIENCE PRIVATE LIMITED**

Notes to financial statements for the period ended March 31, 2019

(Amt. in Lakhs)

Note 22: Finance costs	As at March 31, 2019	As at March 31, 2018
Interest paid to others	42.80	98.31
<b>Total</b>	<b>42.80</b>	<b>98.31</b>

(Amt. in Lakhs)

Note 23: Depreciation and amortization expense	As at March 31, 2019	As at March 31, 2018
Depreciation		
-On tangible assets	1.44	2.15
Amortization		
-On intangible assets	0.03	0.04
<b>Total</b>	<b>1.47</b>	<b>2.18</b>

(Amt. in Lakhs)

Note 24: Other Expenses	As at March 31, 2019	As at March 31, 2018
Bad debts	73.78	276.41
Commission on collection	11.41	41.44
Commission on Sales	0.41	-
Compounding Fee for Legal Metrology Dept.	0.50	-
Fixed Asset Written Off	2.63	-
Freight and forwarding charges	23.12	34.39
Rent, rates and taxes	7.86	16.99
Insurance	0.45	0.56
Sales promotion expenses	7.56	(5.02)
Travelling and conveyance	21.47	37.24
Communication costs	1.29	3.84
Office expenses	0.68	1.08
Legal and professional fees	14.69	7.75
Repairs & Maintenance	0.03	0.28
Auditors remuneration (Refer note 24.1)	0.75	2.50
Bank charges	0.27	0.67
Other expenses	0.56	1.25
<b>Total</b>	<b>167.46</b>	<b>419.38</b>

(Amt. in Lakhs)

Note 24.1: Auditors Remuneration	As at March 31, 2019	As at March 31, 2018
As auditors		
-Statutory audit fees	0.60	2.00
-Tax audit fees	0.15	0.50
<b>Total</b>	<b>0.75</b>	<b>2.50</b>

(Amt. in Lakhs)

Note 25: Earning per share (EPS)	As at March 31, 2019	As at March 31, 2018
<b>Basic and diluted earning per share:</b>		
Profit after taxation as per statement of profit and loss (A)	(7.56)	(20.77)
Weighted average number of equity share outstanding (B)	5,000,000	5,000,000
Basic and diluted earning per share (A)/(B)	(0.15)	(0.42)
Nominal value of equity share (in Rupees)	10.00	10.00



**AXIS CROP SCIENCE PRIVATE LIMITED**

Notes to financial statements for the period ended March 31, 2019

**Note 26: Employee benefits**

The company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is eligible for gratuity on retirement calculated at 15 days of last drawn salary for each completed year of service.

The following table set out the funded status of the gratuity plans and the amount recognised in the company's financial statements as at March 31, 2019 and March 31, 2018:

Particulars	(Amt. in Lakhs)	
	As at March 31, 2019	As at March 31, 2018
<b>Change in benefit obligations</b>		
Benefit obligations at the beginning	22.71	23.74
Past Service cost	(0.93)	1.28
Current Service cost	3.27	5.75
Net interest expense	1.70	1.69
Curtailment gain		
Transfer of obligation		
Remeasurements - Actuarial (gains)/ losses	(4.79)	(8.99)
Benefits paid	-	(0.75)
<b>Benefit obligations at the end</b>	<b>21.96</b>	<b>22.71</b>

**Amounts recognised in the Statement of Profit and Loss under employee benefit expenses**

Particulars	(Amt. in Lakhs)	
	As at March 31, 2019	As at March 31, 2018
Service cost	2.34	7.02
Net Interest on defined benefit liability/ asset	1.70	1.69
Curtailment gain	-	-
<b>Net gratuity cost</b>	<b>4.04</b>	<b>8.71</b>

**Amounts recognised in Statement of other comprehensive income**

Particulars	(Amt. in Lakhs)	
	As at March 31, 2019	As at March 31, 2018
<b>Remeasurements of the net defined benefit liability / (asset)</b>		
Actuarial (gains) / losses	(4.79)	(8.99)
(Return)/ loss on plan assets excluding amounts included in the net interest on the net defined benefit liability/ (asset)		

**The principal actuarial assumptions as at the Balance Sheet date:**

Particulars	(Amt. in Lakhs)	
	As at March 31, 2019	As at March 31, 2018
Mortality table	Indian Assured Lives Mortality (2006-08) Ult.	Indian Assured Lives Mortality (2006-08) Ult.
Discount rate	7.35%	7.30%
Expected rate of salary increase	7.00%	7.00%
Expected rate of return on asset	N.A.	N.A.
Withdrawal rate	10% at younger age reducing to 2% at older age	10% at younger age reducing to 2% at older age

The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

**Sensitivity analysis**

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Particulars	31-Mar-19		March 31, 2018	
	Increase	Decrease	Increase	Decrease
Discount rate	21.30	22.67	21.87	23.62
Future salary increase	22.60	21.33	23.44	21.96
Attrition rate	21.98	21.93	22.77	22.65





**AXIS CROP SCIENCE PRIVATE LIMITED**

Notes to financial statements for the year ended March 31, 2019

**Note 27: Related party transactions****A) List of related parties:**

i) Name of holding company	Place of business/ country of incorporation	Ownership interests	
		As at March 31, 2019	As at March 31, 2018
Sharda Cropchem Limited	India	100%	100%

ii) Key management personnel & relatives	Designation
Mr. Ramprakash V. Bubna	Director
Mr. Ashish R. Bubna	Director
Mr. Manish R. Bubna	Director
Mr. Anil G. Kumta	Director

**B) Transactions with related parties:****i) With parent:**

(Amt. in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Loan taken from:</b>		
Sharda Cropchem Limited	-	-
<b>Outstanding interest converted into loan :</b>		
Sharda Cropchem Limited	-	-
<b>Loan repaid to:</b>		
Sharda Cropchem Limited	138.13	251.69
<b>Loan waived off :</b>		
Sharda Cropchem Limited	140.00	510.00
<b>Interest repaid to:</b>		
Sharda Cropchem Limited	38.81	97.57
<b>Interest expense / accrual:</b>		
Sharda Cropchem Limited	42.06	97.57

\* Loans were taken in accordance with the term and conditions of the loan agreement and carries an interest rate of 8% per annum each and is repayable on demand.

**ii) Key management personnel compensation:**

(Amt. in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Short-term employee benefits	-	-
Post-employment benefits	-	-
Long-term employee benefits	-	-
Termination benefits	-	-
Employee share-based payments	-	-



iii) With KMP of the entity or its parent:

(Amt. in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Loan taken from:</b>		
Mr. Anil Kumta	-	-
<b>Outstanding interest converted into loan :</b>		
Mr. Anil Kumta	-	-
<b>Loan repaid to:</b>		
Mr. Anil Kumta	-	-
<b>Interest repaid to:</b>		
Mr. Anil Kumta	0.56	0.74
<b>Interest expense / accrual:</b>		
Mr. Anil Kumta	0.74	0.74
<b>Travelling and motor car expenses:</b>		
Mr. Anil Kumta	1.12	2.21
<b>Telephone expense:</b>		
Mr. Anil Kumta	-	-

C) Balance payable to / from:

(Amt. in Lakhs)

i) Particulars	As at March 31, 2019	As at March 31, 2018
<b>Loan from Sharda Cropchem Limited:</b>		
Beginning of the year	615.50	1,377.19
Loans received	-	-
Loans repaid	(138.13)	(251.69)
Loan waived off	(140.00)	(510.00)
Interest charged (Net off TDS, Gross amount Rs.42.05 lacs (31st March, 2018: Rs.61.55 lacs))	37.85	87.81
Interest paid	(34.93)	(87.81)
<b>End of the year</b>	<b>340.29</b>	<b>615.50</b>

(Amt. in Lakhs)

ii) Particulars	As at March 31, 2019	As at March 31, 2018
<b>Loan from Mr. Anil Kumta:</b>		
Beginning of the year	9.26	9.26
Loans received	-	-
Loans repaid	-	-
Interest charged (Net off TDS, Gross amount Rs.0.74 lacs (31st March, 2017: Rs.0.74 lacs))	0.67	0.67
Interest paid	(0.50)	(0.67)
<b>End of the year</b>	<b>9.43</b>	<b>9.26</b>

D) Rate of Interest

Particulars	As at March 31, 2019	As at March 31, 2018
Sharda Cropchem Limited	8%	8%
Mr. Anil Kumta	8%	8%





**AXIS CROP SCIENCE PRIVATE LIMITED**

**Notes to financial statements for the year ended March 31, 2019**

**Note 28: Fair value measurements**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair level hierarchy:

As at **March 31, 2019** (Amt. in Lakhs)

Particulars	Date of valuation	Carrying amount			Fair value			Total fair value
		FVTPL	FVTOCI	Amortised cost	Level 1	Level 2	Level 3	
<b>Financial assets</b>								
Financial assets not measured at fair value:								
Other financial assets	31-Mar-19	-	-	-	-	-	-	-
<b>Total financial assets</b>		-	-	-	-	-	-	-
<b>Financial liabilities</b>								
Financial liabilities not measured at fair value:								
Borrowings	31-Mar-19	-	-	346.63	-	-	346.63	346.63
<b>Total financial liabilities</b>		-	-	<b>346.63</b>	-	-	<b>346.63</b>	<b>346.63</b>

As at **March 31, 2018** (Amt. in Lakhs)

Particulars	Date of Valuation	Carrying Amount			Fair value			Total Fair Value
		FVTPL	FVTOCI	Amortised Cost	Level 1	Level 2	Level 3	
<b>Financial assets</b>								
Financial assets not measured at fair value:								
Other financial assets	31-Mar-18	-	-	-	-	-	-	-
<b>Total financial assets</b>		-	-	-	-	-	-	-
<b>Financial liabilities</b>								
Financial liabilities not measured at fair value:								
Borrowings	31-Mar-18	-	-	624.76	-	-	624.76	624.76
<b>Total financial liabilities</b>		-	-	<b>624.76</b>	-	-	<b>624.76</b>	<b>624.76</b>

The management assessed that cash and cash equivalents, trade receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

**Valuation technique used to determine fair value:-**

The following table shows the valuation techniques used in measuring Level 2 fair values for financial instruments at fair value in the balance sheet.

Type	Valuation Technique
Investment in Mutual Funds	The fair value is determined based on NAV as on the reporting date provided by respective Asset Management Companies.
Foreign Currency Forward Contracts	The fair value is determined using quoted forward exchange rates at the reporting date.
Loans	Fair value is derived based on Discounted cash flows. The valuation model considers the present value of expected payment, discounting using a risk adjusted discount rate.





**AXIS CROP SCIENCE PRIVATE LIMITED****Notes to financial statements for the year ended March 31, 2019****Note 29: Financial risk management**

The Company's activities expose it to a variety of financial risks: credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer.

**Credit risk**

Credit risk refers to the risk of default on its obligation by the counter party resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to Rs.720.12 Lacs and Rs.330 Lacs as of March 31, 2018 & March 31,2019 respectively. Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

**Trade receivables**

The Company has established credit policy under which each new customer is analysed individually for credit worthiness before Company's standard payment and delivery terms and conditions are offered. The Company review external ratings, if they are available, financial statements, credit agency information, industry information and in some cases bank references.

The following table represents ageing of trade receivables March 31, 2019:

Particulars	More than 6 months	Less than 6 months	Total
Trade Receivables	143.34	186.33	329.67

The following table represents ageing of trade receivables March 31, 2018:

Particulars	More than 6 months	Less than 6 months	Total
Trade Receivables	416.75	303.38	720.12

Some of the trade receivables are considered Doubtful & hence written of Rs.73,77,648.71

Credit risk on cash and cash equivalents is limited as we generally invest in deposits with banks with high credit ratings assigned by international and domestic credit rating agencies.

**Liquidity risk**

The liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach of managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damages to the Company's reputation. The Company monitors the level of expected cash inflows on trade receivables and loans together with expected cash outflows on trade payables & other financial liabilities.

The company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The company has long term borrowings of Rs. 624.76 Lacs and Rs. 346.63 Lacs as at March 31,2018 & March 31,2019 respectively. The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

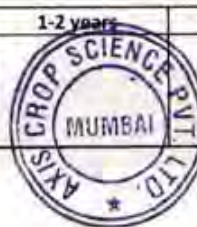
As of March 31,2018, the Company had a working capital of Rs. 534.13 Lacs including cash and cash equivalents of Rs.35.05 Lacs. As of March 31,2019, the Company had a working capital of Rs. 312.44 lacs including cash and cash equivalents of Rs. 41.08 Lacs.

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2019:

Particulars	Upto 1 year	1-2 years	2-4 years	Total
Borrowings	-	-	346.63	346.63
Trade Payables	156.86	-	-	156.86
Other financial liabilities	35.24	-	-	35.24

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31,2018:

Particulars	Upto 1 year	1-2 years	2-4 years	Total
Borrowings	-	-	624.76	624.76
Trade Payables	316.38	-	-	316.38
Other financial liabilities	74.94	-	-	74.94





**AXIS CROP SCIENCE PRIVATE LIMITED**

**Notes to financial statements for the year ended March 31, 2019**

**Note 30: Details of dues to micro and small enterprises as defined under the MSME Act, 2006:**

The identification of Micro, Small and Medium enterprises is based on the managements knowledge of their status. The Company has not received any intimation from suppliers regarding their status under "The Micro, Small and Medium Enterprises Development Act, 2006".

**Note 31: Previous year figures:**

The Company has regrouped/reclassified previous year figures to confirm with current year's classification.

As per our report of even date  
For **Kshitij Shah & Associates**  
Firm Registration No. 138439W  
Chartered Accountants

**Kshitij Shah**  
Proprietor  
Membership Number - 144663



For **AXIS CROP SCIENCE PRIVATE LIMITED**

**R. V. Bubna**  
Director  
DIN: 00136568

**Ashish R. Bubna**  
Director  
DIN: 00945147

**Pooja Dongre**  
Company Secretary

Place: Mumbai  
Date: 10th May, 2019

Place: Mumbai  
Date: 10th May, 2019