

Nagarjuna Agrichem (Australia) Pty Limited

**Financial statements
For the year ended 31 March 2018**

Nagarjuna Agrichem (Australia) Pty Limited

ABN: 51 150 147 685

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For the year ended 31 March 2018

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Nagarjuna Agrichem (Australia) Pty Limited

ABN: 51 150 147 685

Directors' Report

Your directors present their report on the company for the financial year ended 31 March 2018.

Directors

The names of the directors in office at any time during or since the end of the year are:

V. Subbusamy

J. R. Gantasala

G.C. Peroy

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Review of Operations

The Company has a loss of \$12,957 (2017 a loss of \$12,176).

Significant Changes in the State of Affairs

Seeing that the period is the company's fifth reporting period since being incorporated, the Company being representative in respect of importation of chemicals into Australia has shown no change in net activity and operations from last year.

Principal Activities

The principal activity of the company during the financial period was as a representative in respect of the importation chemicals into Australia.

Events Subsequent to the End of the Reporting Period

No matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

Likely Developments and Expected Results of Operations

Likely developments in the operations of the company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the company.

Environmental Regulation

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

Dividends

No Dividends paid or declared since the start of the financial year.

Options

No options over issued shares or interests in the company were granted during or since the end of the financial period and there were no options outstanding at the date of this report.

Indemnification of Officers

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the company.

Proceedings on Behalf of the Company

No person has applied for leave of court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under s 307C of the Corporations Act 2001 is set out on page 4.

This directors' report is signed in accordance with a resolution of the Board of Directors:

Nagarjuna Agrichem (Australia) Pty Limited

ABN: 51 150 147 685

Directors' Report

Director



Gary Peroy

Dated 13 December 2019

**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE
CORPORATIONS ACT 2001 TO THE DIRECTORS OF NAGARJUNA AGRICHEM
(AUSTRALIA) PTY LTD**

I declare that, to the best of my knowledge and belief during the year ended 31 March 2018 there have been:

- no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink that reads 'William Buck'.

William Buck
Accountants & Advisors
ABN 16 021 300 521

A handwritten signature in black ink that reads 'L.E. Tutt'.

L.E. Tutt
Partner

Dated 13 December 2019

ACCOUNTANTS & ADVISORS

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Level 29, 66 Goulburn Street
Sydney NSW2000

Parramatta Office
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Nagarjuna Agrichem (Australia) Pty Limited

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Income statement

For the year ended 31 March 2018

	2018	2017
	\$	\$
Expenses		
Accountancy	8,258.00	6,600.00
Auditor's Remuneration	715.00	275.00
Bank Charges	80.00	170.00
Directors' Fees	3,575.00	2,750.00
Filing Fees	249.00	2,381.00
Sundry Expenses	80.00	-
	12,957.00	12,176.00
Net loss	(12,957.00)	(12,176.00)
Retained earnings (accumulated losses) at the beginning of the financial year	(60,454.00)	(48,278.00)
Retained earnings (accumulated losses) at the end of the financial year	(73,411.00)	(60,454.00)

The accompanying notes form part of these financial statements.

These statements should be read in conjunction with the attached compilation report of Peroys Pty Ltd.

Nagarjuna Agrichem (Australia) Pty Limited

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Balance sheet

For the year ended 31 March 2018

	Note	2018 \$	2017 \$
Current assets			
Cash and cash equivalents	3	2.50	-
Total current assets		<u>2.50</u>	<u>-</u>
Total assets		<u>2.50</u>	<u>-</u>
Current liabilities			
Trade and other payables	4	21,136.00	8,309.00
Provisions	5	-	2,750.00
Total current liabilities		<u>21,136.00</u>	<u>11,059.00</u>
Total liabilities		<u>21,136.00</u>	<u>11,059.00</u>
Net liabilities		<u>(21,133.50)</u>	<u>(11,059.00)</u>
Equity			
Fully Paid Ordinary Shares of \$1		52,277.50	49,395.00
Retained earnings		(73,411.00)	(60,454.00)
Total equity		<u>(21,133.50)</u>	<u>(11,059.00)</u>

Nagarjuna Agrichem (Australia) Pty Limited

ABN: 51 150 147 685

Notes to the financial statements

For the year ended 31 March 2018

The financial statements cover the business of Nagarjuna Agrichem (Australia) Pty Limited and have been prepared to meet the needs of stakeholders and to assist in the preparation of the tax return.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of preparation

The company is non-reporting since there are unlikely to be any users who would rely on the general purpose financial statements.

The special purpose financial statements have been prepared in accordance with the significant accounting policies described below and do not comply with any Australian Accounting Standards unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

Going concern

Notwithstanding the company incurred a net loss amounting to \$12,957 and had a negative net assets amounting to \$21,134, the directors of the holding company have decided to prepare the financial report on the going concern basis as the directors acknowledge that adequate financial support will be provided by the directors of the holding company as and when required to support the going concern of the company.

2 Summary of significant accounting policies

Nagarjuna Agrichem (Australia) Pty Limited

ABN: 51 150 147 685

Notes to the financial statements

For the year ended 31 March 2018

Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Revenue recognition

Sales revenue is recognised at the point of sale. Amounts disclosed as revenue are net of returns and discounts.

Other revenue is recognised when it is received or when the right to receive payment is established.

Trade receivables

All trade receivables are recognised at the amounts receivable as they are generally due for settlement within 30 days.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment of trade receivables is raised when some doubt as to collection exists and in any event when the debt is more than 90 days overdue.

Trade and other payables

These amounts represent liabilities for goods and services provided to the entity prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition

Provisions

Provisions are recognised when the entity has a present (legal or constructive) obligation as a result of a past event, it is probable the entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the Australian Taxation Office (ATO). In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Nagarjuna Agrichem (Australia) Pty Limited

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Notes to the financial statements

For the year ended 31 March 2018

Employee benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cash flows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cash flows. Changes in the measurement of the liability are recognised in profit or loss.

Nagarjuna Agrichem (Australia) Pty Limited

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Notes to the financial statements

For the year ended 31 March 2018

	Note	2018 \$	2017 \$
3 Cash and cash equivalents			
Cash at Bank		2.50	-
		<u>2.50</u>	<u>-</u>
4 Trade and other payables			
Current			
Trade Creditors		13,997.00	(80.00)
Accrued Expenses		7,139.00	8,389.00
		<u>21,136.00</u>	<u>8,309.00</u>
5 Provisions			
Current			
Provision for Accounting & Audit fees		-	2,750.00
		<u>-</u>	<u>2,750.00</u>

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Director's declaration

The director has determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 2 to the financial statements.

The director of the company declares that:

1. The financial statements and notes present fairly the company's financial position as at 31 March 2018 and its performance for the year ended on that date in accordance with the accounting policies described in Note 2 to the financial statements;
2. In the director's opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the director.

Director


Gary Peroy

Dated 13 December 2019

Nagarjuna Agrichem (Australia) Pty Limited

Independent auditor's report to the Director

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Nagarjuna Agrichem (Australia) Pty Limited (the Company), which comprises the statement of financial position as at 31 March 2018, the statement of profit and loss and other comprehensive income, the statement of changes in equity and the 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, and the directors' declaration.

In our opinion, the accompanying financial report of the Company, is in accordance with the *Corporations Act 2001*, including:

- (i) Giving a true and fair view of the Company's financial position as at 31 March 2018 and of its financial performance for the year then ended; and
- (ii) Complying with Australian Accounting Standards to the extent described in Note 1 and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *Corporations Act 2001*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the financial report, which describes the existence of a material uncertainty regarding the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

ACCOUNTANTS & ADVISORS

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Other Matters

The financial report for the prior year ended 31 March 2017 (the "comparative year") was audited by T. Borella, Chartered Accountant who issued an unqualified Auditor's Opinion dated 11 May 2018.

As we were not provided sufficient access to review T. Borella, Chartered Accountant 's comparative year audit workpapers, it was necessary for ourselves to perform sufficient, alternative audit procedures in order to satisfy ourselves regarding opening balances in accordance with ASA 510 and ASA 710.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is 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 the Australian Auditing Standards 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 this financial report.

A further description of our responsibilities for the audit of these financial statements is located at the Auditing and Assurance Standards Board website at:

http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our independent auditor's report.

A handwritten signature in black ink that reads 'William Buck'.

William Buck
Accountants & Advisors
ABN 16 021 300 521

A handwritten signature in black ink that reads 'L.E. Tutt'.

L.E. Tutt
Partner

Sydney, 13 December 2019