

NAGARJUNA AGRICHEM (AUSTRALIA) PTY LIMITED

A.B.N. 51 150 147 685

FINANCIAL REPORT

FOR THE YEAR ENDED 31 MARCH 2021

DIRECTORS' REPORT

Your directors present their report on the company for the financial year ended 31 March 2021.

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 profit for the company after providing for income tax amounted to \$5,320 (31 March 2020: \$831).

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 of 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.

Nagarjuna Agrichem (Australia) Pty Ltd

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DIRECTORS' 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.

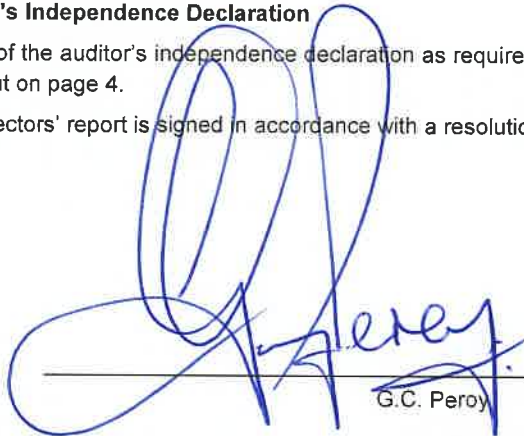
The company was not a party to any such proceedings during the year.

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:

Director



G.C. Peroy

Dated this 29th day of October 2021

Nagarjuna Agrichem (Australia) Pty Ltd

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AUDITOR'S INDEPENDENCE DECLARATION UNDER S 307C OF THE
CORPORATIONS ACT 2001

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of Nagarjuna Agrichem (Australia) Pty Ltd for the year ended 31 March 2021, I declare that, to the best of my knowledge and belief, there have been:

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

Rosenfeld Kant & Co

Gary Williams FCA

Level 24, 101 Grafton Street, Bondi Junction NSW 2022

Signature



Dated this 29th day of October 2021

Nagarjuna Agrichem (Australia) Pty Ltd

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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2021

	Note	2021	2020
		\$	\$
Revenue		22,000	22,000
Directors' fees		(3,575)	(3,575)
Other expenses		(13,105)	(17,594)
		<hr/>	<hr/>
Profit (Loss) before income tax		5,320	831
Income tax expense		-	-
		<hr/>	<hr/>
Profit (Loss) for the year		5,320	831
		<hr/>	<hr/>
Other comprehensive income:			
Net loss on revaluation of land and buildings		-	-
Net gain on revaluation of financial assets		-	-
Other comprehensive income for the period, net of tax		-	-
Total comprehensive Profit(loss) for the period		5,320	831
		<hr/>	<hr/>
Profit (Loss) attributable to:			
Members of the parent entity		5,320	831
		<hr/>	<hr/>
Total comprehensive income (loss) attributable to:			
Members of the parent entity		5,320	831
		<hr/>	<hr/>

This statement should be read in conjunction with the notes to the financial statements.

Nagarjuna Agrichem (Australia) Pty Ltd

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STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2021

	Note	2021 \$	2020 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	35	97
Trade and other receivables	4	21,712	15,628
Other current assets	5	-	2,800
TOTAL CURRENT ASSETS		21,748	18,525
NON-CURRENT ASSETS			
Intangible assets		-	-
TOTAL NON-CURRENT ASSETS		-	-
TOTAL ASSETS		21,748	18,525
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	6	9,508	11,605
Borrowings		902	902
Provisions for Accounting and Audit Fees		9,600	9600
TOTAL CURRENT LIABILITIES		20,010	22,107
TOTAL LIABILITIES		20,010	22,107
NET ASSETS (DEFICIENCY)		1,738	(3,582)
EQUITY			
Issued capital		64,734	64,734
Retained Earnings, accumulated (loss)		(62,996)	(68,316)
TOTAL EQUITY (DEFICIENCY)		1,738	(3,852)

This statement should be read in conjunction with the notes to the financial statements.

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STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2021

	Note	Issued Capital (Ordinary Shares)	Retained Earnings	Total
		\$	\$	\$
Balance at 1 April 2019		64,734	(69,147)	(4,413)
Comprehensive income				
Profit (Loss) for the year		-	831	831
Other comprehensive income for the year		-	-	-
Total comprehensive income for the year attributable to members of the entity		-	831	831
Transactions with owners, in their capacity as owners				
Subscription to Share Capital		-	-	-
Dividends paid or provided for		-	-	-
Total transactions with owners		-	-	-
Balance at 1 April 2020		64,734	(68,316)	(3,582)
Comprehensive income				
Profit (Loss) for the year		-	5,320	5,320
Other comprehensive income for the year		-	-	-
Total comprehensive income for the year attributable to members of the entity		-	5,320	5,320
Transactions with owners, in their capacity as owners				
Subscription to Share Capital		-	-	-
Dividends paid or provided for		-	-	-
Total transactions with owners		-	-	-
Balance at 31 March 2021		64,734	(62,996)	1,738

Nagarjuna Agrichem (Australia) Pty Ltd

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STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021

	Note	2021 \$	2020 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers/Holding Company		19,215	21,222
Payments to suppliers and employees		(19,277)	(21,457)
Dividends received		-	-
Interest received		-	-
Finance costs		-	-
Income tax paid		-	-
Net cash provided by (used in) operating activities	4	<u>(62)</u>	<u>(235)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		-	-
Proceeds from sale of investments		-	-
Payment for property, plant and equipment		-	-
Payment for intangibles		-	-
Sundry Advances		-	-
Net cash used in (provided by) investing activities		<u>-</u>	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from share capital		-	-
Repayment of borrowings		-	-
Dividends paid:		-	-
Net cash provided by (used in) financing activities		<u>-</u>	<u>-</u>
Net (decrease) increase in cash held		(62)	(235)
Cash at beginning of financial period		97	332
Cash (bank overdraft) at end of financial period	3	<u>35</u>	<u>97</u>

This statement should be read in conjunction with the notes to the financial statements.

Nagarjuna Agrichem (Australia) Pty Ltd

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nagarjuna Agrichem (Australia) Pty Ltd is a company limited by shares, incorporated and domiciled in Australia.

Basis of Preparation

The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users dependent on general purpose financial statements. The financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the *Corporations Act 2001*. The company is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the *Corporations Act 2001* and the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The amounts presented in the financial statements have been rounded to the nearest dollar.

Going concern

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 ability to continue company's operations.

Accounting Policies

a. Income Tax

The income tax expense (income) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to profit or loss is the tax payable on taxable income. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where: (a) a legally enforceable right of set-off exists; and (b) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

b. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

c. Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

All dividends received shall be recognised as revenue when the right to receive the dividend has been established.

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at the end of the reporting period and where outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

Investment property revenue is recognised on a straight-line basis over the period of the lease term so as to reflect a constant periodic rate of return on the net investment.

All revenue is stated net of the amount of goods and services tax (GST).

d. Trade and Other Payables

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Trade and other payables represent the liabilities for goods and services received by the entity that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

e. Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

f. Issued capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

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NOTE 2: INCOME TAX EXPENSE

	2021	2020
	\$	\$
Income tax expense	-	-
	<u>-</u>	<u>-</u>

NOTE 3: CASH AND CASH EQUIVALENTS

	2021	2020
	\$	\$
Cash on hand	-	-
Cash at bank	35	97
	<u>35</u>	<u>97</u>

NOTE 4: TRADE AND OTHER RECEIVABLES

	2021	2020
	\$	\$
Management Fee Receivable	21,712	15,628
	<u>21,712</u>	<u>15,628</u>

NOTE 5: OTHER ASSETS

	2021	2020
	\$	\$
Prepayments	-	2,800
	<u>-</u>	<u>2,800</u>

NOTE 6: TRADE AND OTHER PAYABLES

	2021	2020
	\$	\$
Trade Creditors	9,508	4,290
Accrued Expenses	-	7,315
	<u>9,508</u>	<u>11,605</u>

Nagarjuna Agrichem (Australia) Pty Ltd

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NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2021

NOTE 9 COMPANY DETAILS

The registered office of the company is:

Level 22

66 Goulburn Street

Sydney, NSW 2000

The principal place of business is:

Level 22

66 Goulburn Street

Sydney, NSW 2000

Nagarjuna Agrichem (Australia) Pty Ltd

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DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Nagarjuna Agrichem (Australia) Pty Ltd, the directors have 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 1 to the financial statements.

The directors of the company declare that:

1. The financial statements and notes, as set out on pages page 5 to page 13 in accordance with the *Corporations Act 2001* and:
 - a. comply with Australian Accounting Standards; and
 - b. give a true and fair view of the company's financial position as at 31 March 2021 and of its performance for the period ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.
2. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Director



G.C. Peroy

Dated this 29th day of October 2021

Nagarjuna Agrichem (Australia) Pty Limited

Independent Audit Report to the members of Nagarjuna Agrichem (Australia) Pty Limited

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 2021, the Statement of Profit or 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 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 2021 and of its financial performance for the year ended; and
- (ii) Complying with Australian Accounting Standards - Reduced Disclosure Requirements 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.


Responsibilities of 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 - Reduced Disclosure Requirements 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 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 the directors either intend to liquidate the Company or to cease operations, or have 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 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 the Financial Report.



Gary Williams, FCA RCA 4019
Partner
Rosenfeld Kant & Co
Suite 2401, Level 24, 101 Grafton Street, Bond Junction

Dated this 29 Day of October 2021