



**IHSEDU ITOH GREEN CHEMICALS
MARKETING PVT. LTD.**

**7th ANNUAL REPORT
2016-17**

DIRECTORS' REPORT

To,

The Shareholders,

Your Directors have pleasure in presenting their SEVENTH ANNUAL REPORT together with the Audited Accounts of the Company for the period ended on 31st March, 2017

1. Financial Results:

(Amount In Rs.)

Particulars	Year Ended	Year Ended
	31st March, 2017	31st March, 2016
Revenue from operations and other income	16,95,814	22,50,545
Profit / Loss before tax	8,99,668	1,541,778
Balance Brought forward	32,93,928	2,240,793
Less: Provision for Tax	278,000	488,644
Balance Carried to Balance Sheet	39,15,596	3,293,928

2. Business Performance:

During the year your Company has achieved Service income of Rs. 1,304,140/- compared to last year Rs. 1,120,785/.

3. Dividend & Reserves:

In order to conserve the resources of the Company, your directors do not recommend any dividend. During the year under review, No amount is transferred to General Reserves Account.

4. Material Changes between the date of the Board report and end of financial year.

There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

5. Provision of financial assistance to the employees of the company for the purchase of its own shares.

The company has not provided any financial assistance to its employees as per section 67 of the Companies Act, 2013. And employees of the company do not exercise any voting right in the company directly or indirectly.

6. Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future:

During the year under review there has been no such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

7. Subsidiary Company:

As on March 31, 2017, the Company does not have any subsidiary.

8. Statutory Auditor & Audit Report:

The members are informed that, M/s. T.P. Ostwal & Associates LLP, Chartered Accountants, (Firm Registration No. 124444W/W100150) are to be appointed as the Statutory Auditors of the Company hold office of Statutory Auditor for a period of five years i.e till the conclusion of the 10th Annual General Meeting of the Company from this Annual General Meeting to be held on 24th April, 2017. However, pursuant to the provisions of the Companies Act, 2013 the said appointment is subject to ratification by members at every Annual General Meeting. The Company has received a letter from the Statutory Auditors to the effect that their re-appointment, if made would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for appointment. Therefore, your directors recommend the appointment of M/s. T P Ostwal & Associates LLP, Chartered Accountant for the approval of the members at the ensuing Annual General Meeting.

There are no qualifications or observations or remarks made by the Auditors in their Report.

9. Change in the nature of business :

There is no change in the nature of the business of the company

10. Details of directors or key managerial personnel;

The Company at its Board meeting dated 6th October, 2016 placed on record the resignation of Mr. Masatsugu Akita effective from 1st October, 2016. The Board wishes to place on record its sincere appreciation and gratitude for the invaluable contribution made by him during his tenure with the Company. The Company on the same day also appointed Mr. Takuya Katayama as Additional, Non – Executive Director of the Company. He will hold office upto the date of ensuing Annual General Meeting. The Board recommends his re-appointment. Approval of the Shareholders' will be sought at the ensuing Annual General Meeting for appointment of Mr. Takuya Katayama as Non- Executive Director.

11. Deposits:

The Company has not invited/ accepted any deposits from the public during the year ended March 31, 2016. There were no unclaimed or unpaid deposits as on March 31, 2016.

12. Conservation of energy, technology absorption, foreign exchange earnings and outgo:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as **“Annexure - A”**.

13. Corporate Social Responsibility:

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135(1) of the Companies Act, 2013 and hence it is not required to formulate policy on corporate social responsibility.

14. Number of meeting of the Board:

During the year 2016-17, the Board of Directors met 4 times

15. Directors' Responsibility Statement:

Pursuant to the requirement under section 134(3)(C) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

16. Declaration by Independent Directors

The Company was not required to appoint Independent Directors under Section 149(4) and Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 hence no declaration has been obtained.

17. Company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178;

The Company was not required to constitute a Nomination and Remuneration Committee under Section 178(1) of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Stakeholders Relationship Committee under Section 178(5) of the Companies Act, 2013.

18. Audit Committee

The Company was not required to constitute Audit Committee under Section 177(1) of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014.

19. Establishment of Vigil Mechanism

The Company was not required to establish Vigil Mechanism under Section 177(9) of the Companies Act, 2013 and Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 as the company has not accepted any deposit from the public nor company has borrowed money from banks and public financial institution in excess of fifty crore rupees.

20. Disclosure with respect to Directors' and Key Managerial Personnel's remuneration.

The details of Remuneration of Directors and Key Managerial Personnel's are mentioned in "[Annexure B](#)" to the Report.

21. Secretarial Audit Report

The provisions of Secretarial Audit under section 204 and Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable.

22. Particulars of loans, guarantees or investments:

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

23. Extract of Annual Return

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as “**Annexure - B**” to this report.

24. Particulars of Employee:

None of the employee has received remuneration exceeding the limit as stated in rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

25. Internal Control Systems and their Adequacy

The Company has an internal financial control system commensurate with the size and scale of its operations and the same has been operating effectively.

26. Risk management policy

The Company has Risk Management framework to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company’s competitive advantage.

27. Related Party Transactions

Particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188 in the form AOC-2 is annexed herewith as “**Annexure - C**” to this report

28. Prevention of Sexual Harassment of Women at Workplace

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year under review, no complaints were received regarding Sexual Harassment.

29. Acknowledgments:

Your Directors take this opportunity to place on record their appreciation and sincere gratitude to the Government of India, Government of Maharashtra, and the Bankers to the Company for their valuable support and look forward to their continued co-operation in the years to come.

Your Directors acknowledge the support and co-operation received from the employees and all those who have helped in the day to day management.

Place: Mumbai
Date: April 24, 2017

By Order of the Board

Regd. Office:
701, Tower “A”,
Peninsula Business Park,
Senapati Bapat Marg,
Lower Parel (West),
Mumbai – 400 013.

Abhay V. Udeshi
Chairman

ANNEXURE – A

Information under Section 134(3)(m) of the Companies Act, 2013 read with rule 8(3) the Companies (Accounts) Rules, 2014 and forming part of the Report of the Directors

(A) Conservation of energy-

- (i) the steps taken or impact on conservation of energy: NIL
- (ii) the steps taken by the company for utilising alternate sources of energy: NIL
- (iii) the capital investment on energy conservation equipments: NIL

(B) Technology absorption-

- (i) the efforts made towards technology absorption: NIL
- (ii) the benefits derived like product improvement, cost reduction, product development or import substitution: NIL
- (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- : NIL
- (iv) the expenditure incurred on Research and Development: NIL

(C) Foreign exchange earnings and Outgo-

Particulars	2016-17	2015-16
Export of goods calculated on F.O.B. basis	-	-
Commission Received	-	-
Total Foreign Exchange Received	-	-
Expenditure		
i) Traded Goods	-	-
ii) Salary and allowance	-	-
iii) Re-imbursment Expenses	-	-
iv) Foreign Travel Expenses	-	-
Total Foreign Exchange used	-	-

Form No. MGT-9

Extract of Annual Return as on the Financial Year Ended on 31st March, 2017

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

Sr No.	Particulars	
i.	CIN	U24100MH2010PTC204838
ii.	Registration Date	25/06/2010
iii.	Name of the Company	Ihsedu Itoh Green Chemicals Marketing Private Limited
iv.	Category	Company Limited by Share
v.	Sub-Category	Indian Non – Government Company
vi.	Address of the Registered office	701, Tower A, Peninsula Business Park, Senapati Bapat Marg, Lower Parel, (W), Mumbai :- 400 013.
vii.	Contact details	(022) 40271300
viii.	Whether listed company	No
ix.	Name, Address and Contact details of Registrar and Transfer Agent	N.A

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Specialized Wholesale	466	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

S. No	Name and address of the Company	CIN	Holding/ subsidiary / Associate	% of shares held	Applicable section
1	Jayant Agro – Organics Limited	L24100MH1992PLC 066691	Holding company	60.00 %	2 (46)

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

i) Share Holding Pattern

Sr. no.	Category of shareholder	Number of shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered	
(I)	(II)	(III)	(IV)	(V)	As a percentage of (A+B)1 (VI)	As a percentage of (A+B+C) (VII)	Number of shares (VIII)	As a percentage (IX) = (VIII) / (IV) * 100
(A)	Promoter and Promoter Group²							
(1)	Indian							
(a)	Individuals/Hindu Undivided Family	-	-	-	-	-	-	-
(b)	Central Government/State Government(s)	-	-	-	-	-	-	-
(c)	Bodies Corporate	-	-	-	-	-	-	-
(d)	Financial Institutions/Banks	-	-	-	-	-	-	-
(e)	Any Other (Total) Company	6	750000	-	60	-	-	-
	Sub-Total (A)(1)	6	750000	-	60	-	-	-
(2)	Foreign							
(a)	Individuals (Non-Resident)	-	-	-	-	-	-	-

	Individuals/Foreign Individuals)							
(b)	Bodies Corporate	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-
(d)	Qualified Foreign Investor	-	-	-	-	-	-	-
(e)	Any Other (Total)	-	-	-	-	-	-	-
	Sub-Total (A)(2)	-	-	-	-	-	-	-
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	6	750000	-	60	-	-	-
(B)	Public shareholding³	-	-	-	-	-	-	-
(1)	Institutions	-	-	-	-	-	-	-
(a)	Mutual Funds/UTI	-	-	-	-	-	-	-
(b)	Financial Institutions/Banks	-	-	-	-	-	-	-
(c)	Central Government/State Government(s)	-	-	-	-	-	-	-
(d)	Venture Capital Funds	-	-	-	-	-	-	-
(e)	Insurance Companies	-	-	-	-	-	-	-
(f)	Foreign Institutional Investors	-	-	-	-	-	-	-
(g)	Foreign Venture Capital Investors	-	-	-	-	-	-	-
(h)	Qualified Foreign Investor	-	-	-	-	-	-	-
(i)	Any Other (Total)	-	-	-	-	-	-	-
(i1)	NRI	-	-	-	-	-	-	-
(i2)	OCBs/Foreign Cos	1	500000	-	-	40	-	-
	Sub-Total (B)(1)	1	500000	-	-	40	-	-
		-	-	-	-	-	-	-
(2)	Non-institutions	-	-	-	-	-	-	-
(a)	Bodies Corporate	-	-	-	-	-	-	-
(b)	Individuals – i. Individual Shareholders Holding Nominal Share Capital Up To >Rs. 1 Lakh.	-	-	-	-	-	-	-
	Individuals – ii. Individual Shareholders Holding Nominal	-	-	-	-	-	-	-

	Share Capital In Excess Of Rs. 1 Lakh							
(c)	Qualified Foreign Investor	-	-	-	-	-	-	-
(d)	Any Other (Total)	-	-	-	-	-	-	-
	Sub-Total (B)(2)	-	-	-	-	-	-	-
	Total Public Shareholding (B)= (B)(1)+(B)(2)	1	500000	-	-	40	-	-
	TOTAL (A)+(B)	7	1250000	-	-	100	-	-
		-	-	-	-	-	-	-
(C)	Shares held by Custodians and against which Depository Receipts have been issued	-	-	-	-	-	-	-
C1	Promoter and Promoter Group	-	-	-	-	-	-	-
C2	Public	-	-	-	-	-	-	-
	GRAND TOTAL (A)+(B)+(C)	7	1250000	-	-	100	-	-

(ii) Shareholding of Promoters

S.No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	% change in shareholding during the year
1	Jayant Agro-Organics Limited.	750000	60.00	-	750000	60.00	-	-
	Total	750000			750000			

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

SI. No.	Name of the Shareholder	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the company
NIL					

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
NIL					

(v) Shareholding of Directors and Key Managerial Personnel:

No.	For Each of the Directors and KMP	beginning of the year		End of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr. Abhay V. Udeshi	-	-	-	-
2.	Dr. Subhash V. Udeshi	-	-	-	-
3.	Mr. Vikram V. Udeshi	-	-	-	-
4.	Mr. Takaaki Ando	-	-	-	-
5.	Mr. Masatsugu Akita#	-	-	-	-
6.	Mr. Takayu Katayama##				

resigned w.e.f. 1st October, 2016

##appointed w.e.f. 1st October, 2016

V. INDEBTEDNESS

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

		(Amount in Rupees)	
	Secured Loans excluding deposits	Unsecured Loans	Deposits Total Indebtedness
Indebtedness at the beginning of the financial year (01.04.2016)			
Principal Amount	NIL		
Interest due but not paid			
Interest accrued but not due			
Total (i + ii+ +iii)			
Change in Indebtedness during the financial year			
Addition / (Reduction)	NIL		
Indebtedness at the end of the financial year (31.03.2017)			
Principal Amount	NIL		
ii) Interest due but not paid			
iii) Interest accrued but not due			
Total (i+ii+iii)			

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

SI no	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	<i>NIL</i>	
	Total (A)		
2.	Stock Option		
3.	Sweat Equity		
4.	Commission -as % of profit -others, specify		
5.	Others, please specify Contribution to Provident Fund		
	Total (B)		
	Total (A+B)		
	Ceiling as per the Act		

B. Remuneration to other directors:

SI. no.	Particulars of Remuneration	Name of Directors	Total Amount
	3. Independent Directors <ul style="list-style-type: none"> • Fee for attending board committee meetings • Commission • Others, please specify 	NIL	
	Total (1)		
	4. Other Non-Executive Directors <ul style="list-style-type: none"> • Fee for attending board committee meetings • Commission • Others, please specify 		
	Total (2)		
	Total (B)=(1+2)		
	Total Managerial Remuneration		
	Overall Ceiling as per the Act		

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

Sl. no.	Particulars of Remuneration	Key Managerial Personnel
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL
2.	Stock Option	
3.	Sweat Equity	
4.	Commission - as % of profit - others, specify	
5.	Others, please specify	
	Total	

II. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NA

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

ANNEXURE – C

Form AOC-2

Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014:

1. Details of contracts or arrangements or transactions not at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts / arrangements/transactions	Salient terms of the contracts or arrangements including the value, if any:	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
NIL	-	-	-	-	-	-	-

2. Details of material contracts or arrangement or transactions at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/arrangement/transactions	Duration of the contracts / arrangements /transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
Jayant Agro Organics Limited –	Marketing Fees	On going	Marketing Fees for services availed by Jayant Agro Organics Limited	24/04/2017	-

T. P. Ostwal & Associates LLP

CHARTERED ACCOUNTANTS

Suite 1306, 1307, 13th Floor, Lodha Supremus, Senapati Bapat Marg, Lower Parel, Mumbai 400013

+91 22 49454000 ☎ Fax: 91 22 49454000,

Web: <http://www.tpostwal.in>, E-mail: itax@tpostwal.in

INDEPENDENT AUDITOR'S REPORT

To the Members of

Ihsedu Itoh Green Chemicals Marketing Private Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **IHSEDU ITOH GREEN CHEMICALS MARKETING PRIVATE LIMITED**, which comprises the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act, as applicable.

This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order under section 143(11) of the Act.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its profit and its cash flow for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards prescribed under section 133 of the Act, as applicable.
 - e) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position – Refer Note 17 to Financial Statements.
 - ii. Since company did not have any long term contracts including of derivatives, there are no material foreseeable losses on account of such contracts – Refer Note 18 to Financial Statements.
 - iii. There was no amount which required to be transferred to the Investor Education and Protection Fund by the Company – Refer Note 19 to Financial Statements.
 - iv. The Company doesn't have any Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 – Refer Note 20 to Financial Statements.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section 11 of section 143 of the Act, we give in the "Annexure B", a statement on the matters specified in paragraphs 3 and 4 of the Order.

For T. P. Ostwal & Associates LLP
Chartered Accountants
(Registration No: 124444W/W100150)

T. P. Ostwal
(Partner)
Membership No.30848

Place: Mumbai
Date: April 24, 2017

Annexure A to the Independent Auditor's report of even date on the Standalone Financial statements of **Ihsedu Itoh Green Chemicals Marketing Private Limited**.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Ihsedu Itoh Green Chemicals Marketing Private Limited**. ("the Company") as of March 31, 2017 in conjunction with our audit of the 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 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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

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 unauthorized 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

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, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For T. P. Ostwal & Associates LLP
Chartered Accountants
(Registration No: 124444W/W100150)

T. P. Ostwal
(Partner)
Membership No.30848

Place: Mumbai
Date: April 24, 2017

ANNEXURE B TO THE AUDITORS' REPORT

Referred to in paragraph 2 of our report of even date on the financial statements for the year ended March 31, 2017 of Ihsedu Itoh Green Chemicals Marketing Private Limited and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we state that:

- (i) There are no fixed assets held by the company.
- (ii) The company does not carry on trading or manufacturing activity. It does not possess any inventory.
- (iii) The company has not granted any loans, secured or unsecured to companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) Since there are no investments made or loan granted or guarantees given by the company, compliance with the provisions of Section 185 and 186 of the Companies Act, 2013 is applicable.
- (v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposit from the public.
- (vi) Maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 is not prescribed for the company.
- (vii)
 - (a) According to the information and explanation given to us and according to the records of the Company as examined by us, undisputed statutory dues including, income tax, custom duty, excise duty, service tax, cess and other statutory dues have been regularly deposited during the year with the appropriate authorities. No undisputed amounts payable were outstanding as at March 31, 2017 for a period of more than six months from the date on which they become payable.
 - (b) According to the information and explanation given to us and based on the records of the Company examined by us, there are no dues of income tax, VAT and other statutory dues outstanding as on March 31, 2017 which have not been deposited on account of any dispute.
- (viii) According to the information and explanations given to us, and based on the verification of records of the company examined by us, the company has neither taken any loan or borrowing from financial institutions, banks or government, nor issued any debentures accordingly Clause (viii) of the Order is not applicable.

- (ix) According to the information and explanations given to us and as per the records of the company examined by us, no additional funds were raised by way of public issue/ follow-on offer (including debt instruments) and term loans by the company.
- (x) To the best of our knowledge and belief and according to the information and explanation given to us, no fraud by the company or any fraud on the Company by its officers/ employees has been noticed or reported, during the year under audit.
- (xi) There are no payments made to any managerial persons.
- (xii) In our opinion and according to information and explanations given to us, Company is not a Nidhi Company.
- (xiii) All transactions with the related parties are in compliance with Section 188 and 177 of Companies Act, 2013 where applicable and the details of the same have been disclosed in the Financial Statements as required by the accounting standards and Companies Act, 2013.
- (xiv) During the year under review the company has not made any preferential allotment / private placement of shares or fully or partly convertible debentures.
- (xv) The company, during the year under review, has not entered into any non-cash transactions with directors or persons connected with them.
- (xvi) The company is not required to be registered under section 45-IA of Reserve Bank of India Act, 1934.

For T. P. Ostwal & Associates LLP
Chartered Accountants
(Registration No: 124444W/W100150)

T. P. Ostwal
(Partner)
Membership No.30848

Place: Mumbai
Date: April 24, 2017

Ihsedu Itoh Green Chemicals Marketing Private Limited

BALANCE SHEET AS AT MARCH 31, 2017

(Amount in `)			
Particulars	Note	March 31, 2017	March 31, 2016
EQUITY AND LIABILITIES			
Shareholders' funds			
Share Capital	1	125,00,000	125,00,000
Reserves and Surplus	2	39,15,596	32,93,928
Current liabilities			
Trade Payable	3	-	-
(i) Total Outstanding Dues of Micro Enterprises and Small Enterprises		-	-
(ii) Total Outstanding Dues of Creditors other than micro Enterprises and		31,500	31,350
Other Current Liabilities	4	32,134	20,514
Short Term Provision	5	1,22,270	2,13,372
TOTAL		166,01,500	160,59,164
ASSETS			
Non-Current Investments			
	6	160,00,000	-
Current assets			
Cash and Bank balances	7	6,01,500	155,63,097
Other Current Asset	8	-	4,96,067
TOTAL		166,01,500	160,59,164
Significant Accounting Policies, Notes on Financial Statements	1 to 22		

As per our Report of even date

For T.P. Ostwal & Associates LLP
Chartered Accountants
(Registration No: 124444W/W100150)

For and on behalf of the Board of Directors

T. P. Ostwal
(Partner)
Membership No.30848

Abhay V. Udeshi
Chairman
DIN - 00355598

Vikram V. Udeshi
Director
DIN - 00355713

Place: Mumbai
Date: April 24, 2017

Takuya Katayama
Director
DIN - 07609816

Ihsedu Itoh Green Chemicals Marketing Private Limited

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in `)

Particulars	Note No.	March 31, 2017	March 31, 2016
INCOME			
Service Income	9	13,04,140	11,20,785
Other Income	10	3,91,674	11,29,760
Total Revenue		16,95,814	22,50,545
EXPENDITURE			
Other Expenses	11	7,96,146	7,08,766
Total Expenses		7,96,146	7,08,766
Profit Before Tax		8,99,668	15,41,779
Tax expense:			
Current Tax		2,78,000	4,88,644
Profit for the Year		6,21,668	10,53,135
Earnings per equity share of face value of ` 10 each			
Basic and Diluted (in `)	12	0.50	0.84
Significant Accounting Policies, Notes on Financial Statements	1 to 22		

As per our Report of even date

For T.P. Ostwal & Associates LLP
Chartered Accountants
(Registration No: 124444W/W100150)

For and on behalf of the Board of Directors

T. P. Ostwal
(Partner)
Membership No.30848

Abhay V. Udeshi
Chairman
DIN - 00355598

Vikram V. Udeshi
Director
DIN - 00355713

Place: Mumbai
Date: April 24, 2017

Takuya Katayama
Director
DIN - 07609816

Ihsedu Itoh Green Chemicals Marketing Private Limited

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

	(Amount in `)	
Particulars	March 31, 2017	March 31, 2016
A. Cash Flow from Operating Activities		
Net Profit/(Loss) before tax	8,99,668	15,41,779
Operating profit before working capital changes	8,99,668	15,41,779
Adjusted for :		
Increase/(Decrease) in Payables & Other Liabilities	11,770	18,156
(Increase)/Decrease in Receivable & Other Current asset	4,96,067	(4,71,126)
Cash Generated from Operations	14,07,505	10,88,809
Income Tax Paid	(3,69,102)	(5,33,345)
Net Cash from Operating Activities	10,38,403	5,55,464
B. Cash Flow from Investing Activities		
Purchase of Investments	(160,00,000)	-
Net Cash from /(used in) Investing Activities	(160,00,000)	-
C. Cash Flow from Financing Activities		
	-	-
Net Increase/(Decrease) in cash and cash equivalents	(149,61,597)	5,55,463
Cash and cash equivalents at the beginning of the year	155,63,097	150,07,634
Cash and cash equivalents at the end of the year	6,01,500	155,63,097
Cash and cash equivalents comprise of:		
Balance with Banks	6,01,500	5,63,097
Fixed Deposit with Bank	-	150,00,000

As per our report of even date attached

For T.P. Ostwal & Associates LLP
Chartered Accountants
(Registration No: 124444W/W100150)

For and on behalf of the Board of Directors

T. P. Ostwal
(Partner)
Membership No.30848

Abhay V. Udeshi
Chairman
DIN - 00355598

Vikram V. Udeshi
Director
DIN - 00355713

Place: Mumbai
Date: April 24, 2017

Takuya Katayama
Director
DIN - 07609816

Ihsedu Itoh Green Chemicals Marketing Private Limited

Notes on Financial Statements for the year ended March 31, 2017

Note 1 : Share Capital

(a) Authorised/Issued/Subscribed & Paid Up

Particulars	March 31, 2017		March 31, 2016	
	Number		Number	
Authorised:				
Equity Shares of ` 10 each	15,00,000	150,00,000	15,00,000	150,00,000
Issued, Subscribed and Paid up:				
Equity Shares of ` 10 each fully paid up	12,50,000	125,00,000	12,50,000	125,00,000
	12,50,000	125,00,000	12,50,000	125,00,000

(b) Reconciliation of outstanding number of shares

Particulars	March 31, 2017		March 31, 2016	
	Number		Number	
Equity Shares outstanding at the beginning of the year	12,50,000	125,00,000	12,50,000	125,00,000
Add: Equity Shares Issued during the year	-	-	-	-
Equity Shares outstanding at the end of the year	12,50,000	125,00,000	12,50,000	125,00,000

(c) Details of shareholders holding more than 5 % shares

Name of Shareholder	March 31, 2017		March 31, 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Jayant Agro-Organics Limited	7,50,000	60.00	7,50,000	60.00
Itoh Oil Chemicals Co. Limited	5,00,000	40.00	5,00,000	40.00

(d) Rights, preferences and restrictions attached to equity shares: The company has one class of equity shares having a face value of ` 10 each per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

(e) Shares held by holding company and subsidiary of holding company

	March 31, 2017		March 31, 2016	
	Number		Number	
Equity Shares				
Jayant Agro-Organics Limited	7,50,000	75,00,000	7,50,000	75,00,000

Ihsedu Itoh Green Chemicals Marketing Private Limited

Notes on Financial Statements for the year ended March 31, 2017

Note 2 : Reserves and Surplus

	(Amount in `)	
Particulars	March 31, 2017	March 31, 2016
Profit and Loss Account:		
As at last Balance Sheet	32,93,928	22,40,793
Add :Profit for the year	6,21,668	10,53,135
Balance at the end of the year	39,15,596	32,93,928

Note 3 : Trade Payables

	(Amount in `)	
Particulars	March 31, 2017	March 31, 2016
Total outstanding dues of Micro and Small Enterprise	-	-
Total outstanding dues of creditors other than Micro and Small Enterprise Micro and Small Enterprise.	31,500	31,350
	31,500	31,350

Note 4 : Other Current Liabilities

	(Amount in `)	
Particulars	March 31, 2017	March 31, 2016
Statutory Dues	32,134	20,514
	32,134	20,514

Note 5 : Short Term Provision

	(Amount in `)	
Particulars	March 31, 2017	March 31, 2016
Provision for Tax	1,22,270	2,13,372
	1,22,270	2,13,372

Ihsedu Itoh Green Chemicals Marketing Private Limited

Notes on Financial Statements for the year ended March 31, 2017

Note 6 : Non Current Investments

(Amount in `)

Particulars	Current Year No of units	Previous Year No of units	March 31, 2017	March 31, 2016
Investment in Mutual Fund Unquoted				
HDFC Banking and PSU Debt Fund- Regular Plan-Growth Option (Face Value `10)	8,70,474.410	-	110,00,000	-
HDFC Floating Rate Income Fund-Short Term Plan-Wholesale Option-Regular Plan- Growth (Face Value `10)	1,84,872.272	-	50,00,000	-
			160,00,000	-

Total Market Value of Un-quoted Mutual Funds as on March 31, 2017 is `16,729,534

Note 7 : Cash and Bank balances

(Amount in `)

Particulars	March 31, 2017	March 31, 2016
Cash and Cash Equivalents		
Bank Balances	6,01,500	5,63,097
Other Bank Balance		
Fixed Deposit with Bank	-	150,00,000
	6,01,500	155,63,097

Note 8 : Other Current Asset

(Amount in `)

Particulars	March 31, 2017	March 31, 2016
Accrued Interest on Fixed Deposit	-	4,96,067
	-	4,96,067

Note 9 : Service Income

(Amount in `)

Particulars	March 31, 2017	March 31, 2016
Commission Received	13,04,140	11,20,785
	13,04,140	11,20,785

Note 10 : Other Income

(Amount in `)

Particulars	March 31, 2017	March 31, 2016
Interest Income	3,91,674	11,29,760
	3,91,674	11,29,760

Ihsedu Itoh Green Chemicals Marketing Private Limited

Notes on Financial Statements for the year ended March 31, 2017

Note 11 : Other Expenses

	(Amount in `)	
Particulars	March 31, 2017	March 31, 2016
Filling Fees	7,752	2,679
Legal and Professional Fees	27,750	26,335
Printing and Stationery	91,855	88,243
Telephone Expenses	96,434	81,168
Postage	43,012	32,370
Travelling Expenses	2,21,447	2,33,519
Business Meeting Expenses	2,69,317	2,06,021
Profession tax	2,500	2,500
Interest	199	-
Bank Charges	1,380	1,252
Auditors Remuneration		
-Statutory Audit Fees	11,500	11,450
-Income Tax Matters	23,000	23,228
	7,96,146	7,08,766