



***KNP Japan Private Limited***  
***(Formerly: Kansai Paints Nepal Private Limited)***  
***Auditor's Report & Financial Statements for the year ended March 31, 2018***

**B. K. Agrawal & Co. |** *Member Crowe Horwath International*

## **Independent Auditors' Report to the Directors of KNP Japan Private Limited (Formerly: Kansai Paints Nepal Private Limited)**

### **Report on Financial Statements**

We have audited the accompanying Standalone Balance Sheet of M/s KNP Japan Private Limited (Formerly: Kansai Paints Nepal Private Limited) as of March 31, 2018 and Statement of Profit & Loss and Statement of Changes in Equity attached thereto, for the year ended on that date and a summary of Significant Accounting Policies and other Explanatory Notes

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Nepal Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### **Auditors' Responsibility**

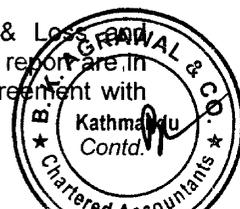
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Nepal standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 auditors 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 control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, 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 reasonable basis for our audit opinion. Further we report that:

### **Report on requirement of Companies Act, 2063 and other regulatory matters**

- a. We have obtained 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 appears from our examination of such books;
- c. In our opinion, the Standalone Balance Sheet, Statement of Profit & Loss, Statement of Changes in Equity with Explanatory Notes dealt with by this report are in compliance with the provisions of the Company Act, 2063 and are in agreement with the books of account maintained by the company;



- d. In our opinion, so far as appeared from our examination of the books, the business of the Company has been conducted satisfactorily;
- e. To the best of our information and according to the explanations given to us and from our examination of the books of accounts of the Company necessary for the purposes of the audit, we have not come across cases where the Board of Directors or any employees of the Company have acted contrary to legal provisions relating to accounts, or committed any misappropriation or caused loss or damage to the company; and
- f. This report is issued by us, pursuant to specific request made by the Company, in regard to the consolidation of the company's financial statements with the Parent Company M/s Kansai Nerolac Paints Limited, India. Therefore, this report should be used for the above specific purpose only and not for any other purpose without our prior concurrence.

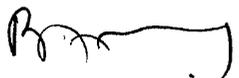
#### **NFRS Compliance**

The Institute of Chartered Accountants of Nepal (ICAN) has made applicable Nepal Financial Reporting Standards (NFRS) to all entities having public accountability with effective from Financial Year 2073/74. Accordingly, this being the first year of applicability of the Nepal Financial Reporting Standards (NFRS), the company is required to prepare opening Balance Sheet at the date of transition, restated comparative financial statement for previous year and fully NFRS complied financial statements for the reporting period. As the company has not prepared the financial statements based on Nepal Financial Reporting Standards (NFRS) the cumulative effect of the same in the financial statement is not ascertainable and could be material.

#### **Auditors' Opinion**

In our opinion, the Financial Statements, read together with Note 1 and 29 to 43 forming part of the accounts, give a true and fair view of the financial position of the Company as at March 31, 2018 and the financial performance, changes in equity and cash flows for the year then ended in accordance with applicable Nepal Accounting Standards and comply with provisions of the Companies Act, 2063.

Kathmandu  
Date: April 27, 2018

  
**CA. B.K. Agrawal**  
*Managing Partner*  
**For: B.K. Agrawal & Co.**  
Chartered Accountants



**KNP JAPAN PRIVATE LIMITED**  
(FORMERLY: KANSAI PAINTS NEPAL PRIVATE LIMITED)  
**STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2018**

	Note	As at 31st March, 2018	NPR in Crores As at 31st March, 2017
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Property, Plant and Equipment	2	13.36	13.69
Other Intangible Assets	3	-	0.01
		13.36	13.70
<b>Financial Assets:</b>			
Loans	4	0.03	0.03
		0.03	0.03
Other non-current assets	5	-	0.86
<b>Total Non-current Assets</b>		<b>13.39</b>	<b>14.59</b>
<b>Current Assets</b>			
Inventories	6	23.60	19.39
<b>Financial Assets:</b>			
Trade Receivables	7	35.60	34.18
Cash and cash equivalents	8	4.37	8.68
Bank balances other than cash and cash equivalents	9	-	-
Loans	10	-	-
Other Financial Assets	11	-	-
		39.97	42.86
Income tax assets (net)		-	-
Other Current Assets	12	0.71	1.08
<b>Total Current Assets</b>		<b>64.28</b>	<b>63.33</b>
<b>Total Assets</b>		<b>77.67</b>	<b>77.92</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	13	13.00	13.00
Other Equity	14	32.21	25.36
<b>Total Equity</b>		<b>45.21</b>	<b>38.36</b>
<b>Liabilities</b>			
<b>Non-current Liabilities</b>			
<b>Financial Liabilities:</b>			
Borrowings	15	-	10.20
Provisions	16	-	-
Deferred Tax Liabilities (Net)	17	0.46	0.42
Other non-current liabilities		-	-
<b>Total Non-current Liabilities</b>		<b>0.46</b>	<b>10.62</b>
<b>Current Liabilities</b>			
<b>Financial Liabilities:</b>			
Trade Payables	18	22.31	22.64
Other Financial Liabilities	19	3.71	-
		26.02	22.64
Other Current Liabilities	20	4.62	4.03
Provisions	21	0.19	0.32
Current Tax Liabilities (Net)	22	1.17	1.95
<b>Total Equity and Liabilities</b>		<b>77.67</b>	<b>77.92</b>

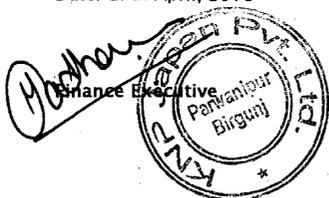
Significant Accounting Policies 1

The notes referred to above form an integral part of Standalone Financial Statements

Kathmandu  
Date: 27th April, 2018

For and on behalf of the Board

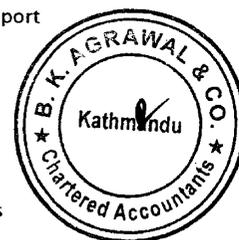
As per our attached report of even date



*[Signature]*  
Director

*[Signature]*  
Director

CA. B.K. Agrawal  
Managing Partner  
B.K. Agrawal & Co.  
Chartered Accountants



**KNP JAPAN PRIVATE LIMITED**  
(FORMERLY: KANSAI PAINTS NEPAL PRIVATE LIMITED)  
STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

NPR in Crores

	Note	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Revenue from Operations	23	103.92	87.90
Other Income	24	0.39	0.91
<b>Total Income</b>		<b>104.31</b>	<b>88.81</b>
<b>Expenses</b>			
Cost of Materials Consumed	25	57.08	42.53
Purchases of Stock-in-trade		0.30	0.12
Changes in Inventories of Finished Goods, Stock-in-trade and Work-in-progress	26	(1.92)	(0.02)
Employee Benefits Expense	27	7.48	6.79
Finance Costs		0.20	0.74
Depreciation and Amortisation Expenses		0.89	0.94
Other Expenses	28	25.62	26.54
<b>Total Expenses</b>		<b>89.65</b>	<b>77.64</b>
<b>Profit Before Exceptional Item and Tax</b>		<b>14.66</b>	<b>11.17</b>
Profit on sale of Property, Plant and Equipment		-	-
<b>Profit Before Tax</b>		<b>14.66</b>	<b>11.17</b>
<b>Tax Expense</b>			
Current Tax		4.06	2.88
Deferred Tax		0.05	(0.03)
<b>Total Tax Expense</b>		<b>4.11</b>	<b>2.85</b>
<b>Profit for the period</b>		<b>10.55</b>	<b>8.32</b>
<b>Profit for the period from Discontinued Operations</b>			
Tax Expense of Discontinued Operations		-	-
<b>Profit from Discontinued Operations (after tax)</b>		<b>-</b>	<b>-</b>
<b>Profit for the period</b>			
<b>Other Comprehensive Income</b>		<b>0.20</b>	<b>-</b>
A (i) Items that will not be reclassified to profit or (loss)		0.20	-
(ii) Income tax relating to items that will not be reclassified to profit or (loss)		-	-
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or (loss)		-	-
<b>Total Comprehensive Income for the period (Comprising Profit (Loss) and Other Comprehensive Income for the period)</b>		<b>10.75</b>	<b>8.32</b>
<b>Earnings per equity share:</b>			
Basic and Diluted		83.00	64.00
<b>Earnings per equity share (for discontinued operation):</b>			
Basic and Diluted		-	-
<b>Earnings per equity share (for discontinued and Continuing operations):</b>			
Basic and Diluted		-	-

**Significant Accounting Policies**

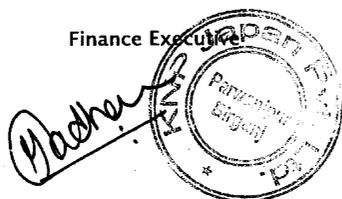
The notes referred to above form an integral part of Standalone Financial Statements

Kathmandu  
Date: 27th April, 2018

For and on behalf of the Board

As per our attached report of even date

Finance Executive



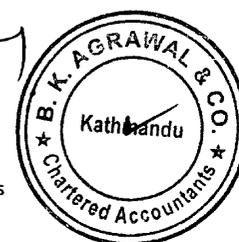
Director

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Director

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CA. B.K. Agrawal  
Managing Partner  
B.K. Agrawal & Co.  
Chartered Accountants



KNP JAPAN PRIVATE LIMITED

(FORMERLY: KANSAI PAINTS NEPAL PRIVATE LIMITED)

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

Particulars	NPR in Crores	
	Year Ended 31st March, 2018	Year Ended 31st March, 2017
<b>(A) Cash Flow from Operating Activities:</b>		
Profit/(Loss) before changes in working capital & Add:	14.86	11.17
Depreciation	0.89	0.95
Interest Expenses	0.20	0.74
Non Operating Expenses	-	(0.26)
Non Operating Income	(0.01)	(0.07)
Cash from Operating activities before changes in W/C	<u>15.94</u>	<u>12.54</u>
<b>Changes in working Capital</b>		
Decrease/(Increase) in Current Assets	(4.40)	4.37
Increase/(Decrease) in Current Liabilities	2.27	3.77
Earlier Year Adjustment	0.07	0.89
<b>Net cash generated from Operating Activities</b>	<u>13.88</u>	<u>21.56</u>
Less: Income Tax Paid	(4.91)	(3.05)
	<u>8.97</u>	<u>18.51</u>
<b>(B) Cash Flow from Investing Activities:</b>		
Fixed Assets Purchase	(2.63)	(1.67)
Change in CWIP	-	-
Fixed Assets Sales	2.07	1.40
<b>Net Cash Flow from Investing Activities</b>	<u>(0.56)</u>	<u>(0.27)</u>
<b>(C) Cash Flow from Financing Activities:</b>		
Interest Paid	(2.52)	(2.05)
Increase/(Decrease) in Short Term Loan	-	(2.63)
Increase/(Decrease) in Medium & Long Term Loan	(10.20)	(5.89)
<b>Net Cash Flow from Financing Activities</b>	<u>(12.72)</u>	<u>(10.57)</u>
<b>Net Cash Flow (A+B+C)</b>	<u>(4.31)</u>	<u>7.68</u>
Opening Cash and Bank Balances	8.68	1.00
<b>Closing Cash &amp; Bank Balances</b>	<u>4.37</u>	<u>8.68</u>

Kathmandu  
Date: 27th April, 2018

For and on behalf of the board

As per our attached report  
of even date

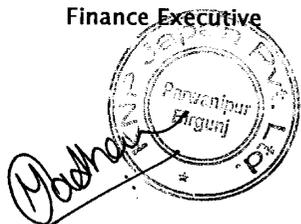
Finance Executive

  
Director

  
Director



CA. B.K. Agrawal  
Managing Partner  
B.K. Agrawal & Co.  
Chartered Accountants



**KNP JAPAN PRIVATE LIMITED**  
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**STANDALONE STATEMENT OF CHANGES IN EQUITY**

**A – Equity Share Capital**

NPR. in Crores

Balance as at 1st April, 2016	13.00
Changes in equity share capital during 2016-2017	-
Balance as at the 31st March, 2017	13.00
Changes in equity share capital during 2017-2018	-
Balance as at 31st March, 2018	13.00

**B – Other Equity**

NPR. in Crores

	Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings	Total
Balance at the beginning of the reporting period 01.04.2016	-	-	-	17.04	17.04
Profit for the year				8.32	8.32
Other comprehensive income					
<b>Total Comprehensive income for the year</b>	-	-	-	8.32	8.32
<b>Transaction with owners in their capacity as owners:</b>					
Dividends					
Tax on Dividends					
Transfer from retained earnings					
Transfer to General Reserve					
Less: Amount spent towards Corporate Social Responsibility Activities under Section 135 of the Companies Act, 2013 (Refer Note 33)					
Less: Impact of depreciation pursuant to adoption of useful lives as per Part C of Schedule II of the Companies Act, 2013 and management estimate of useful lives [Refer Significant Accounting Policies Note 1(V) (c) and Note 10					
Add: Deferred tax impact on the above					
Balance at the end of the reporting period 31.03.2017	-	-	-	25.36	25.36

NPR. in Crores

	Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings	Total
Balance at the beginning of the reporting period 01.04.2017	-	-	-	25.36	25.36
Changes in accounting policy or prior period errors					
Restated balance at the beginning of the reporting period					
Profit for the year				10.55	10.55
Other comprehensive income				0.20	0.20
<b>Total Comprehensive income for the year</b>	-	-	-	10.75	10.75
<b>Transaction with owners in their capacity as owners:</b>					
Dividends				3.90	3.90
Tax on Dividends					
Transfer from retained earnings				3.90	3.90
Transfer to General Reserve					
Balance at the end of the reporting period 31.03.2018	-	-	-	32.21	32.21

Kathmandu  
Date: 27th April, 2018

For and on behalf of the board

As per our attached report of even date

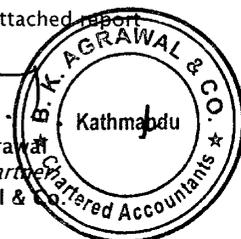
Finance Executive



*[Signature]*  
Director

*[Signature]*  
Director

CA. B.K. Agrawal  
Managing Partner  
B.K. Agrawal & Co.



# KNP JAPAN PRIVATE LIMITED

(FORMERLY: KANSAI PAINTS NEPAL PRIVATE LIMITED)

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

### Note 1: Significant Accounting Policies

#### 1) Corporate Information:

Kansai Paints Nepal Private Limited (formerly Nepal Shalimar Paints Private Limited) ("the Company") is a private limited company incorporated under the Companies Act of Nepal on July 29, 2002 (Shrawan 13, 2059) vide registration no. 20268/059/60. The registered Office of the Company is at Aadarshanagar, Birgunj, Nepal and the manufacturing Unit is situated at Lipni Birta V.D.C., Parsa District, Nepal. The main objectives of the company is to manufacture paints products like ink-colour, ink-blue, oil, adhesive etc. and selling of such products in domestic & foreign market.

#### 2) Significant Accounting Policies:

##### a) Accounting Convention:

The financial statements have been prepared under the historical cost convention on an accrual basis and are in compliance with all material aspects with Nepal Accounting Standards (NFRS), unless stated otherwise, and relevant provisions of Companies Act, 2063 and other applicable laws prevalent in Nepal. The accounting policies are applied consistently by the Company, unless stated otherwise.

##### b) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the periods in which the results are known/materialized.

##### c) Property, Plant & Equipment

Land is stated at the original cost of acquisition added with land development expenses, while other assets are stated at the cost of acquisition including all expenses incurred in putting the assets to use less depreciation.

Expenditure incurred to replace a component of an item of fixed assets that is accounted for separately, including major inspection and overhaul expenditure is capitalized. Other subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the item of fixed assets. All other expenditure is recognized in the income statement as an expense as incurred.

##### d) Depreciation

Depreciation on fixed assets has been charged on Straight Line Method (SLM) as per the following rates based on the management estimate of the useful life/remaining useful life. The period of days used by the company is considered for current period depreciation.

Particulars	Rate
Buildings	3.34%
Furnitures	6.33%
Computers	16.21%
Electrification	4.75%
Networking	6.33%
Vehicles	9.50%
Plants & Machinery	4.75%

No depreciation has been charged on Colorant Machine, capitalized under the head Plant & Machinery, as these machines are not put to use by the company.

##### e) Impairment of Assets

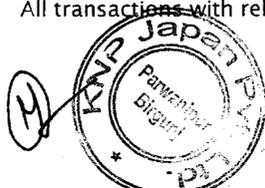
The Company identifies impairable fixed assets based on cash generating unit concept at the year-end for the purpose of arriving at impairment loss thereon, if any, being the difference between the book value and recoverable value of relevant assets. Impairment loss when crystalizes is charged to revenue for the year.

##### f) Trade and other payables:

Liability for trade and other payables are carried at cost which is the fair value of services.

##### g) Related party transactions

All transactions with related parties are carried out by the Company at arm's length prices.



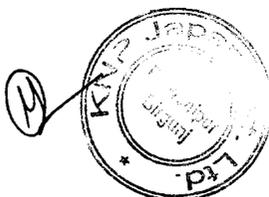
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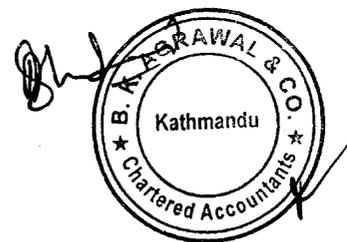
**KNP JAPAN PRIVATE LIMITED**  
(FORMERLY: KANSAI PAINTS NEPAL PRIVATE LIMITED)  
**NOTES TO THE STANDALONE FINANCIAL STATEMENTS**

*Notes contd.*

- h) Trade and other Receivables:**  
Trade and other Receivables are originated by the Company and are stated at cost less provisions for any uncollectible amount. Provision is made against debts considered doubtful of recovery whereas debts considered irrecoverable are written off.
- i) Cash & Cash Equivalents:**  
Cash & Cash equivalents consists of Cash in Hand, Cheques in hand, Balances with banks and investments in Money Market Instruments. Bank Overdrafts that are repayable on demand and form an integral part of the cash management are included within borrowings in short term loans under current liabilities.
- j) Inventories (As taken, valued and certified by the management):**  
Inventories are valued as follows:  
i) Raw Materials & Others - At cost on Weighted Average Basis  
ii) Semi Finished Goods - At cost  
iii) Finished goods - At cost or Net Realisable Value whichever is lower.  
iv) Stores & Spares - At cost
- k) Intangible Assets:**  
Intangible assets (Software) acquired by the Company are stated at cost less accumulated amortization.
- l) Amortization:**  
Amortization is charged to income statement on a straight line basis over the management's estimated useful life of intangible assets.  
Software 5 Years
- m) Foreign currency transaction:**  
Transactions in foreign currency are recorded at the original rates of exchange in force at the time transactions are effected.  
Foreign currency denominated assets and liabilities are reported as follows:  
Monetary items are translated into rupees at the exchange rates prevailing at the balance sheet date. Non-Monetary items such as fixed assets are carried at their historical rupee values.  
Gains/losses arising on the settlement of foreign currency transactions or restatement of foreign currency denominated assets and liabilities (monetary Items) are recognized in the profit and loss account.
- n) Revenue Recognition**  
Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Revenue is measured at the fair value of the consideration received or receivable net of value added tax, excise, rebates and discount. The following specific criteria are used for the revenue recognition:
- a) Sale of Goods**  
Revenue from the sale of goods is recognised in the income statement when the significant risks and rewards of ownership have been transferred to the buyer and stated net of excise, value added tax and rebates and discounts.
- b) Dividend Income:**  
Revenue from dividend is recognised in the income statement when the right to receive have been established.
- c) Interest Income:**  
Interest income is recognized on a time proportion basis taking into account the principal outstanding and interest rate applicable.
- d) Insurance & Other Claims:**  
Insurance and Other Claims are accounted for on cash basis.



*Signature*



# KNP JAPAN PRIVATE LIMITED

(FORMERLY: KANSAI PAINTS NEPAL PRIVATE LIMITED)

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

Notes contd...

**o) Provisions, contingent Liability and Contingent Assets:**

Provisions are recognized when the Company has a present obligation as a result of past event; it is more likely than not that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates in accordance with Nepal Accounting Standards on "Provisions, Contingent Liabilities and Contingent Assets".

A contingent liability is disclosed where there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, the assets and related income are recognized in the period in which the charge occurs.

**p) Retirement Benefits:**

The Company has scheme of retirement benefits for staffs in the form of provident fund and gratuity. Provision is made for gratuity in respect of liability accrued during the year as per Actuarial valuation done by independent valuator.

**q) Borrowing Costs**

Borrowing costs attributable to the acquisition of the asset is capitalized as part of the cost of the asset. Other Financing/Borrowing costs are charged to the Income Statement in accordance with Nepal Financial Reporting on "Borrowing Costs".

**r) Investments:**

Investments that are intended to be held for more than a year, from the date of acquisition, are classified as long term investments and are carried at cost. However, provisions for diminution in value of investments are made to recognize decline, other than temporary, in value of the investments.

Investments other than long term investments, being current investments, are valued at cost or market price whichever is lower, determined on an individual basis.

**s) Taxation**

**Current Tax:**

Current Income tax is measured at the amount expected to be paid to the tax authorities in accordance with Nepalese Income Tax Act, 2058.

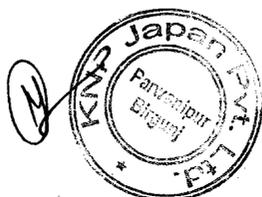
**Deferred Tax:**

Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred Tax Assets are recognized and reviewed at each Balance Sheet date, only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits. At each Balance Sheet date, unrecognized deferred tax assets of earlier years are re-assessed and recognized to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realized in accordance with Nepal Accounting Standards on "Income Taxes".

**t) Earning 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 or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all diluted potential equity shares.



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# KNP JAPAN PRIVATE LIMITED

(FORMERLY: KANSAI PAINTS NEPAL PRIVATE LIMITED)

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

Notes contd...

u) **Leases**

**Financial Lease :**

The company does not have any item covered under finance lease which needs disclosure as per Nepal Accounting Standards.

**Operating Lease :**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term are classified as operating leases. Operating lease payments are recognized as an expense in the income statement on a straight-line basis over the lease term.

v) **Cash Flow Statements**

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated. The Cash flow statement is separately attached with the Financial Statements of the company.

w) **Segment Reporting:**

Having regard to the integrated nature of the Paints Manufacturing Business of the company, the company has only one segment in which it operates. Hence, the disclosure requirement of "Segment Reporting" pursuant to the Nepal Accounting Standards is not applicable.

x) **Share Based Payments**

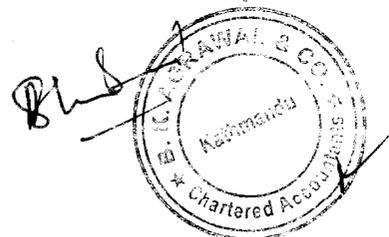
Share based payment transaction is a transaction in which entity receives goods and services as consideration for equity instruments (including shares or share options) of the entity (referred to as "equity settled share passed transaction"). There is no share based transactions during the Year.

y) **Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies**

- i) The prior period expenses are charged to respective heads of account to the income statement.
- ii) There is no change in the accounting policy during the period.



*A. Agrawal*



**KNP JAPAN PRIVATE LIMITED**  
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NPR. in Crores

**Note 2: Property, Plant and Equipment**

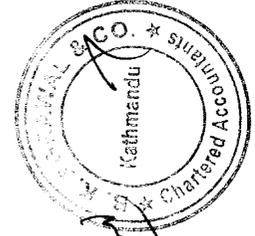
Description	Gross Block				Accumulated Depreciation			Net Block	
	As at 31.03.2017	Additions	Deductions	As at 31.03.2018	As at 31.03.2017	Additions	Deductions	As at 31.03.2018	As at 31.03.2018
Freehold Land	0.37 (0.37)	-	-	0.37 (0.37)	-	-	-	-	0.37 (0.37)
Buildings	9.47 (9.47)	0.04	-	9.51 (9.47)	2.10 (1.78)	0.31 (0.32)	-	2.41 (2.10)	7.10 (7.37)
Plant and Equipments	6.15 (6.10)	0.03 (0.05)	-	6.18 (6.15)	2.20 (1.91)	0.29 (0.28)	-	2.49 (2.19)	3.69 (3.96)
Furniture and Fixtures	0.34 (0.20)	0.08 (0.14)	-	0.42 (0.34)	0.09 (0.07)	0.03 (0.02)	-	0.12 (0.09)	0.30 (0.25)
Vehicles	2.09 (2.09)	0.02	0.02	2.09 (2.09)	1.71 (1.53)	0.20 (0.19)	0.01	1.90 (1.72)	0.19 (0.37)
Office Equipments	0.76 (0.72)	0.05 (0.04)	-	0.81 (0.76)	0.20 (0.16)	0.04 (0.04)	-	0.24 (0.20)	0.57 (0.56)
Computers	0.32 (0.32)	-	-	0.32 (0.32)	0.29 (0.24)	0.02 (0.05)	-	0.31 (0.29)	0.01 (0.03)
Colourant Machine	0.78 (0.66)	2.41 (0.12)	2.06	1.13 (0.78)	-	-	-	-	1.13 (0.78)
<b>Total Tangible Assets</b>	<b>20.28 (19.93)</b>	<b>2.63 (0.35)</b>	<b>2.08 0.00</b>	<b>20.83 (20.28)</b>	<b>6.59 (5.69)</b>	<b>0.89 (0.90)</b>	<b>0.01 0.00</b>	<b>7.47 (6.59)</b>	<b>13.36 (13.69)</b>

Figures in the brackets are the corresponding figures in respect of the previous year.

No items of property, plant and equipment were pledged as security for liabilities during any part of the financial year.

Nil amount of borrowing costs is capitalised during the financial year.

Nil amount of impairment loss is recognised during the financial year.



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**KNP JAPAN PRIVATE LIMITED**  
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**NOTES TO THE STANDALONE FINANCIAL STATEMENTS**

NPR. in Crores

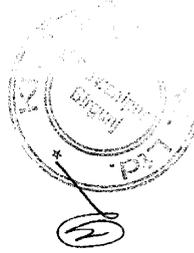
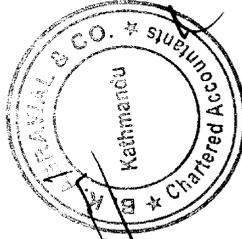
**Note 3: Other Intangible Assets**

Description	Gross Block			Accumulated Amortisation			Net Block	
	As at 31.03.2017	Additions	Deductions	As at 31.03.2017	Additions	Deductions	As at 31.03.2018	As at 31.03.2018
Software	0.15 (0.15)	-	-	0.14 (0.10)	0.01 (0.04)	-	0.15 (0.14)	0.00 (0.01)
<b>Total Other Intangible Assets</b>	<b>0.15 (0.15)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.14 (0.10)</b>	<b>0.01 (0.04)</b>	<b>0.00</b>	<b>0.15 (0.14)</b>	<b>0.00 (0.01)</b>

Figures in the brackets are the corresponding figures in respect of the previous year.

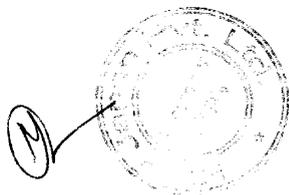
Nil amount of borrowing costs is capitalised during the financial year.

Nil amount of impairment loss is recognised during the financial year.



**KNP JAPAN PRIVATE LIMITED**  
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**NOTES TO THE STANDALONE FINANCIAL STATEMENTS**

	As at 31st March, 2018	NPR in Crores As at 31st March, 2017
<b>Note 4: Loans</b>		
Unsecured and Considered Good		
Security Deposits	0.03	0.03
	<u>0.03</u>	<u>0.03</u>
<b>Note 5: Other non-current assets</b>		
Unsecured and Considered Good		
Income Tax Paid	-	0.86
	<u>0.00</u>	<u>0.86</u>
<b>Note 6: Inventories</b>		
Raw Materials	11.70	9.19
Packing Materials	1.05	1.37
Work-in-progress	0.07	0.37
Finished Goods	10.28	8.06
Stock-in-trade (in respect of goods acquired for trading)	-	-
Stores and Spares	0.50	0.40
	<u>23.60</u>	<u>19.39</u>

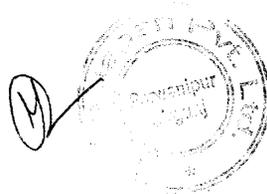


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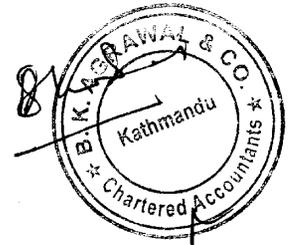


**KNP JAPAN PRIVATE LIMITED**  
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**NOTES TO THE STANDALONE FINANCIAL STATEMENTS**

<u>Note 7: Trade Receivables</u>	As at 31st March, 2018	NPR in Crores As at 31st March, 2017
Other Receivables:		
Secured, Considered Good	-	-
Unsecured, Considered Good*	35.60	34.18
Doubtful	<u>5.38</u>	<u>2.63</u>
	40.98	36.81
Less: Provision for Bad and Doubtful Debts	<u>5.38</u>	<u>2.63</u>
	35.60	34.18
	<u>35.60</u>	<u>34.18</u>

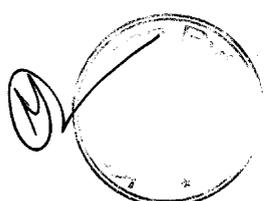


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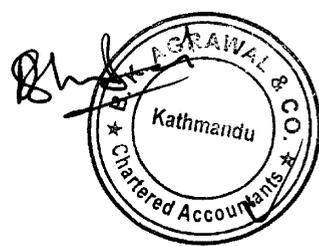


**KNP JAPAN PRIVATE LIMITED**  
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**NOTES TO THE STANDALONE FINANCIAL STATEMENTS**

	As at 31st March, 2018	NPR in Crores As at 31st March, 2017
<b>Note 8: Cash and cash equivalents</b>		
Banks Balances	4.30	8.58
Cash on hand	0.07	0.10
	4.37	8.68
<b>Note 9: Bank Balance other than Cash and cash equivalents</b>		
Unpaid Dividend Accounts	-	-
Fixed Deposit	-	-
	-	-
	-	-
<b>Note 10: Loans</b>		
Unsecured and Considered Good		
Loan to Supplier	-	-
	-	-
	-	-
<b>Note 11: Other Financial Assets</b>		
Interest Accrued on Loans and Investments	-	-
Security Deposits	-	-
Other Advances	-	-
Advance for Investment	-	-
	-	-
	-	-
<b>Note 12: Other Current Assets</b>		
Material Credit Entitlements	-	-
Balances with Indirect Tax Authorities	-	-
Insurance Claims Receivable	0.01	0.26
Trade Advances	0.26	0.27
Prepaid Expenses	0.30	0.40
Other Receivable	0.14	0.15
	0.71	1.08
	0.71	1.08



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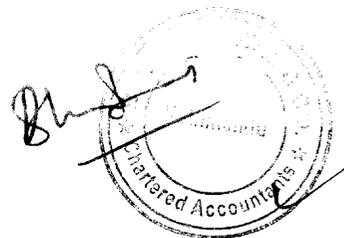


**KNP JAPAN PRIVATE LIMITED**  
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**NOTES TO THE STANDALONE FINANCIAL STATEMENTS**

	As at 31st March, 2018	NPR in Crores As at 31st March, 2017
<b>Note 13: Share Capital</b>		
1. Authorised Share Capital (Rs. in Crores)	30.00	30.00
Par Value per Share (Rs.)	100	100
Number of Equity Shares	<u>3,000,000</u>	<u>3,000,000</u>
2. Issued (Rs. in Crores)	15.00	15.00
Par Value per Share (Rs.)	100	100
Number of Equity Shares	<u>1,500,000</u>	<u>1,500,000</u>
3. Subscribed and Fully Paid up (Rs. in Crores)	13.00	13.00
	100	100
	<u>1,300,000</u>	<u>1,300,000</u>



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**KNP JAPAN PRIVATE LIMITED**  
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**NOTES TO THE STANDALONE FINANCIAL STATEMENTS**

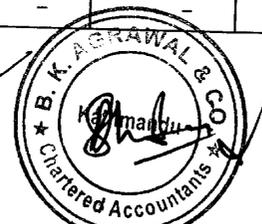
**Note 14: Other Equity**

	NPR. in Crores				
	Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings	Total
Balance at the beginning of the reporting period 01.04.2016	-	-	-	17.04	17.04
Changes in accounting policy or prior period errors					-
Restated balance at the beginning of the reporting period					-
Profit for the year				8.32	8.32
Other comprehensive income				-	-
<b>Total Comprehensive income for the year</b>				8.32	8.32
<b>Transaction with owners in their capacity as owners:</b>					
Dividends				-	-
Tax on Dividends				-	-
Transfer from retained earnings				-	-
Transfer to General Reserve				-	-
Balance at the end of the reporting period 31.03.2017	-	-	-	25.36	25.36

	NPR. in Crores				
	Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings	Total
Balance at the beginning of the reporting period 01.04.2017	-	-	-	25.36	25.36
Changes in accounting policy or prior period errors					-
Restated balance at the beginning of the reporting period					-
Profit for the year				10.55	10.55
Other comprehensive income				0.20	0.20
<b>Total Comprehensive income for the year</b>				10.75	10.75
<b>Transaction with owners in their capacity as owners:</b>					
Dividends				3.90	3.90
Tax on Dividends				-	-
Transfer from retained earnings				3.90	3.90
Transfer to General Reserve				-	-
Balance at the end of the reporting period 31.03.2018	-	-	-	32.21	32.21



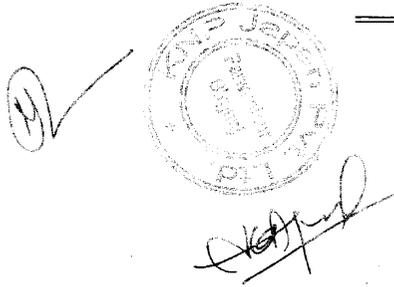
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**KNP JAPAN PRIVATE LIMITED**  
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**NOTES TO THE STANDALONE FINANCIAL STATEMENTS**

**Note 15: Borrowings**

	NPR. in Crores	
	As at 31st March,	As at 31st March,
a. Working Capital Loan	-	10.20
(Working Capital loan was from promoter Kansai Nerolac Paints Ltd, Mumbai. The same has been repaid in FY 2017-18)		
	<u>-</u>	<u>10.20</u>

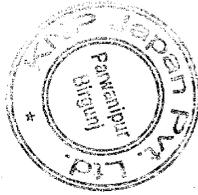






KNP JAPAN PRIVATE LIMITED  
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NOTES TO THE STANDALONE FINANCIAL STATEMENTS

	As at 31st March, 2018	NPR in Crores As at 31st March, 2017
<b>Note 16: Provisions</b>		
Provision for Compensated Absences	-	-
	-	-
	-	-
<b>Note 17: Deferred Tax Liabilities (Net)</b>		
Deferred Tax Liabilities	0.46	0.42
	0.46	0.42




**KNP JAPAN PRIVATE LIMITED**  
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**NOTES TO THE STANDALONE FINANCIAL STATEMENTS**

<u>Note 18: Trade Payables</u>	NPR in Crores	
	As at 31st March, 2018	As at 31st March, 2017
Trade Payables		
Payables to Micro and Small Enterprises*	-	-
Payables to Others	22.31	22.64
	<u>22.31</u>	<u>22.64</u>

\*Based on the information and explanation available with management, there are no amounts due to the suppliers covered under the Micro, Small and Medium Enterprises Development Act, 2006.

Note 19: Other Financial Liabilities

Unpaid Dividends*	3.71	-
	<u>3.71</u>	<u>0.00</u>

\*There is no amount due and outstanding to be credited to Investor Education and Protection Fund.

Note 20: Other Current Liabilities

Accrual of Expenses	-	-
Other Statutory Obligations\$	4.24	3.30
Trade Receivables with Credit Balance	0.38	0.73
Other Current Liabilities	-	-
	<u>4.62</u>	<u>4.03</u>

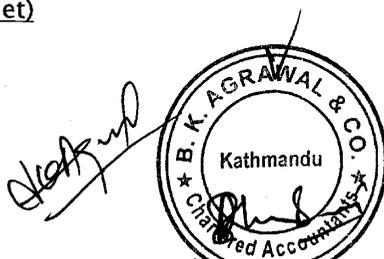
\$Includes payable toward TDS, Excise duty, Service tax, VAT and Employee Related Statutory Obligations.

Note 21: Provisions

Provision for Compensated Absences (Refer Note 31)	-	-
Provision for Gratuity (Refer Note 31)	0.19	0.32
Provision for Indirect Taxes:	-	-
	<u>0.19</u>	<u>0.32</u>

Note 22: Current Tax Liabilities (Net)

Current Tax Liabilities (Net)	1.17	1.95
	<u>1.17</u>	<u>1.95</u>



**KNP JAPAN PRIVATE LIMITED**  
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**NOTES TO THE STANDALONE FINANCIAL STATEMENTS**

NPR. in Crores

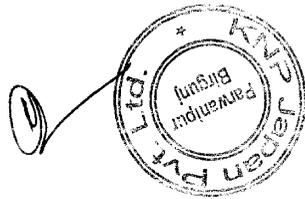
**Note 23: Revenue from Operations**

	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Sale of Products (including excise duty)		
Sales	137.93	106.47
Less: Rebates	34.02	18.57
	103.91	87.90
Other Operating Revenues	0.01	-
Revenue from Operations	103.92	87.90

**Note 24: Other Income**

Other Non operating Income

Profit on Sale of Fixed Assets	0.01	0.07
Foreign Exchange Gain (Net)	0.01	0.03
Insurance Claims Received	-	-
Miscellaneous Income	0.37	0.81
	0.39	0.91
	0.39	0.91



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**KNP JAPAN PRIVATE LIMITED**  
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**NOTES TO THE STANDALONE FINANCIAL STATEMENTS**

NPR. in Crores

Note 25: Cost of Materials Consumed

	Year Ended 31st March, 2018	Year Ended 31st March, 2017
<b>Raw Material Consumed</b>		
Opening Stock	9.19	7.50
Add: Purchase	54.83	40.53
Less: Sales	4.71	4.22
Less: Closing Stock	<u>11.70</u>	<u>9.19</u>
	47.61	34.62
<b>Packing Material Consumed</b>		
Opening Stock	1.37	1.69
Add: Purchase	9.15	7.59
Less: Closing Stock	<u>1.05</u>	<u>1.37</u>
	9.47	7.91
	<u>57.08</u>	<u>42.53</u>

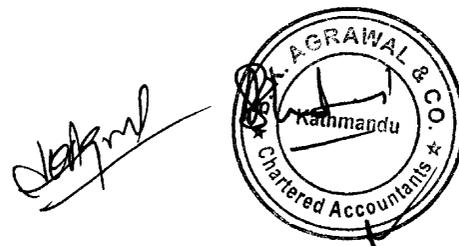
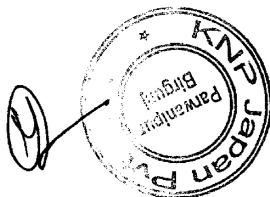
Note 26: Changes in Inventories of Finished Goods, Stock-in-trade and Work-in-progress

**Opening Stock**

Finished Goods	8.06	7.58
Work-in-progress	0.37	0.83
Stock-in-trade (in respect of goods acquired for	<u>-</u>	<u>-</u>
	8.43	8.41

**Less: Closing Stock**

Finished Goods	10.28	8.06
Work-in-progress	0.07	0.37
Stock-in-trade (in respect of goods acquired for	<u>-</u>	<u>-</u>
	10.35	8.43
	<u>(1.92)</u>	<u>(0.02)</u>



**KNP JAPAN PRIVATE LIMITED**

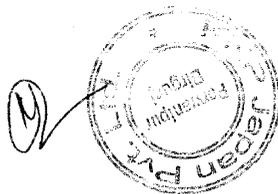
(FORMERLY: KANSAI PAINTS NEPAL PRIVATE LIMITED)

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS**

<u>Note 27: Employee Benefits Expense</u>	NPR. in Crores	
	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Salaries and Wages	5.30	4.65
Contribution to Provident and Other Funds	0.07	0.18
Staff Welfare Expense	2.11	1.96
	<u>7.48</u>	<u>6.79</u>

Note 28: Other Expenses

Consumption of Stores and Spare Parts	0.03	0.04
Power and Fuel	0.32	0.41
Repairs to Buildings	0.10	0.07
Repairs to Machinery	0.32	0.21
Freight and Forwarding Charges	3.27	2.37
Advertisement and Sales Promotion	12.73	16.28
Rent	1.04	0.91
Rates and Taxes	0.05	0.07
Insurance	0.53	0.40
Miscellaneous Expenses	7.23	5.78
	<u>25.62</u>	<u>26.54</u>



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**KNP JAPAN PRIVATE LIMITED**  
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**NOTES TO THE STANDALONE FINANCIAL STATEMENTS**

**29) Income Tax:**

**i) Provision for Income Tax:**

Income tax has been provided in accordance with the Nepal Income Tax Act, 2058. The taxable income has been computed after claiming all the business related deductible expenditure under Income Tax Act, 2002.

**ii) Income Tax Assessment:**

The Income Tax assessment has been completed up to FY 2072/73 (up to Asadh 31, 2073 equivalent to July 15, 2016). These tax liabilities have been paid by the Company and has been recognized as earlier year taxes. The summary of taxes paid is given below:

FY	NPR Crores			
	Tax	VAT Fine	TDS Fine	Excise
2072/73	0.34	-	0.06	-
2071/72	0.27	0.02	0.04	-
2070/71	0.25	0.23	-	0.00
2069/70	0.15	0.13	-	-
<b>Total</b>	<b>1.01</b>	<b>0.38</b>	<b>0.10</b>	<b>0.00</b>

**30) Revaluation of Fixed Assets:**

Fixed Assets are not revalued during the year.

**31) Advances to Suppliers and Others:**

The Company has given advances to suppliers amounting to NRs.0.24 Crores (PY NRs.0.25 Crores) and others in ordinary course of business, which is considered good and recoverable.

**32) Staff Bonus:**

Provision for Staff Bonus has been made @ 10% of net profit before tax. Accordingly bonus amounting to NRs. 1.6 Crores (PY Rs. 1.13 Crores) has been provided during the year.

**33) Housing Reserves:**

i) Provision for housing reserve has not been provided during the year except for the period 1st April,2017 to 15th July,2017, as there is no any requirement to provide housing reserve as per New labour Act. The housing reserve provided for aforementioned period @ 5% of net profit before tax, bonus and Prior Period Adjustment has been reflected in statement of profit & loss which amounts to NPR.0.33 Crores (PY NPR.0.66).

ii) The Company has not invested the amount of Housing Reserves in a separate fund in accordance with section 41(2) of Nepal Labour Act, 2048.

**34) Earnings per share:**

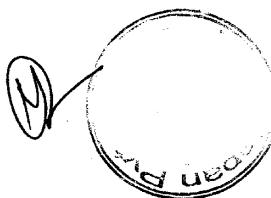
Earning per share has been calculated as below:

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Profit after tax for the year (NPR Crores)	10.75	8.32
Weighted average no. of equity shares (Units)	1,300,000.00	1,300,000.00
Diluted number of equity shares (Units)	1,300,000.00	1,300,000.00
Nominal value of shares (NPR.)	100.00	100.00
Basic Earning per share (NPR.)	83.00	64.00
Diluted Earning per share (NPR.)	83.00	64.00

**35) Transaction with Related Parties:**

The Company has following transactions during the period from 01.04.2017 to 31.03.2018 with the following related parties:

Party Name	Relation-Nature of Txn.	Opening Dr.	Opening Cr.	Period Dr.	Period Cr.	Closing Dr.	Closing Cr.
Shalimar Investment Co. Pvt.Ltd.	Common Director-Advances	-	-	0.10	0.12	-	0.01
Kansai Nerolac Paints Ltd, Kanpur, Jainpur	Investing Company-Creditor	-	-	-	-	-	-
Kansai Nerolac Paints Ltd., Patna	Investing Company-Creditor	-	-	-	-	-	-
Goyal Hardware Biratnagar(300069242)	Common Director-Debtor	0.04	-	0.11	0.12	0.03	-
Shalimar Homes Pvt. Ltd.	Common Director-Debtor	0.11	-	0.16	0.11	0.16	-
Kansai Nerolac Paints Ltd. Mumbai	Investing Company-Creditor	-	3.56	3.76	1.64	-	1.45
Pradeep & Company Pvt. Ltd.	Common Director - Creditor	-	-	0.10	0.10	-	-
Siddhi Vinayak Pvt. Ltd, Birgunj	Related to Director-Debtor	-	-	0.03	0.03	-	-
Siddhi Vinayak Pvt Ltd, Birgunj	Related to Director-Creditor	-	0.21	2.16	2.20	-	0.25



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**KNP JAPAN PRIVATE LIMITED**

(FORMERLY: KANSAI PAINTS NEPAL PRIVATE LIMITED)

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS**

Notes contd...

Party Name	Relation-Nature of Txn.					Closing Dr.	Closing Cr.
Shalimar Hospitality & Foods Pvt. Ltd.	Common Director-Creditor			0.06	0.06		
Shalimar Steels Pvt Ltd.	Common Director-Debtor						
<b>Total</b>		0.15	3.78	6.49	4.38	0.20	1.71

**36) Current Liabilities:**

The current liabilities include a sum equal to NPR. 0.38 Crores (PY NPR 0.73 Crores) received as advance from customers in the ordinary course of business.

**37) Recognition of Deferred Tax Liability & Assets:**

Deferred tax is measured based on the tax rates and the laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets are realized.

The Company has recognized deferred tax liabilities amounting to NPR 0.05 Crores which resulted from the timing differences between the Book Profit and Tax Profit, for the year ended March 31, 2018 in Income Statements, the details of which is as under:

Particulars	Opening Balance (NRS)	Arising during the period (NRS)	Closing Balance (NRS)
<b>Deferred Tax Assets/(Liabilities)</b>			
On account of timing difference in:			
a) Fixed Assets	(0.55)	0.11	(0.44)
b) Closing Stocks	0.01	(0.03)	(0.02)
c) Gratuity	0.03	(0.05)	(0.02)
d) Housing Reserves	0.08	(0.08)	-
<b>Net Assets /(Liabilities)</b>	<b>(0.42)</b>	<b>(0.05)</b>	<b>(0.47)</b>

**38) Working Capital Loan:**

i) The company had paid the working capital loan taken from the shareholder on 24/07/2017. The details of total working capital loan is hereunder:

Particulars	Amount (NRS)	Paid (NRS)	Balance (NRs)
M/s Kansai Nerolac Paints Ltd.	10.20	10.20	-
<b>Total</b>	<b>10.20</b>	<b>10.20</b>	<b>-</b>

**39) Interest on Working Capital Loan:**

i) The company has obtained the approval letter from Nepal Rastra Bank vide letetr ref No.FDI/074/75 Ch.No.01 dated 2074/04/06 for payment of WCL & Interest Up to June 08, 2017 & accordingly has made payment of the interest Up to June, 2017 to Kansai Nerolac Paints Ltd., India. Interest has been paid on July 24, 2017. However no provision for the period of July 16, 2017 To July 23, 2017 has been made in books and the provision for the period of July 01, 2017 To July 15, 2017 is still payable. The summary is given as below:

Shareholder's Name	Opening Balance	Provided During the Years	TDS @15% deducted During the Years	Payment Made	Closing Balance
Kansai Nerolac Paints Ltd. (Wci)	2.15	0.02	0.003	2.12	0.05
<b>Total</b>	<b>2.15</b>	<b>0.02</b>	<b>0.003</b>	<b>2.12</b>	<b>0.05</b>

**40) Royalty**

i) The Company has paid Royalty amounting to NRs. 0.98 Crores (PY NRs. 0.75 Crores) for the period of April 01, 2017 To March 31, 2018 to "M/s Kansai Nerolac Paints Ltd., India, as per the agreement entered into with them and duly approved by the Government of Nepal. The Royalty is paid towards the use of Trademark, Business Systems & Know-how, Software & patents & General Administrative & Management Services.

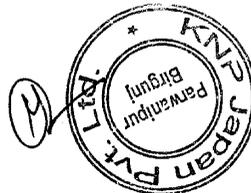
ii) The company has deposited the reverse charge of VAT on Royalty payable to the Holding Company M/s Kansai Nerolac Paints Ltd., India up to December, 2017.

**41) The Company has made provisions for Bad Debt during the Years Amounting Nrs. 3.35 Crores (PY NRs. 1.60 Crores).**

**42) Deputation Service Charges:**

i) The Company has provided the deputation service charges amounting to NRs. 0.96 Crores (PY NRs.0.89 Crores) for the period from April 01, 2017 to March 31, 2018 to "M/s Kansai Nerolac Paints Ltd., India, as per the agreement entered into with them. The deputation service charge is paid towards the manpower service provided by the parent company to the subsidiary as per the requirement of the subsidiary.

ii) The company has deposited the reverse charge of VAT up to December, 2017 on deputation service charge paid/payable to the Holding Company, Kansai Nerolac Paints Ltd., India as per the provisions of sec. 8(2) of Value Added Tax Act of Nepal.



*Signature*



**KNP JAPAN PRIVATE LIMITED**

(FORMERLY: KANSAI PAINTS NEPAL PRIVATE LIMITED)

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS**

**43) CSR Expenses:**

As per requirement of The Industrial Enterprises Act, 2073 of Nepal 1% of the annual profit has been provided as CSR expenses which amounts to NRs.0.23 Crores. There was no requirement to provide for CSR during Previous Year.

**44) Provision for Gratuity:**

The Company has scheme of retirement benefits for staffs in the form of provident fund and gratuity. Provision is made for gratuity in respect of liability accrued during the year as per Actuarial valuation done by independent valuator namely M/s VHV Finance & Consultancy Services. Accordingly a total liability of NRs.0.19 Crores stands as provision for gratuity as on reporting date.

**45) Regrouping of Figures:**

Previous Year's figures' have been regrouped/rearranged wherever necessary.

**46) Period of Financial Statements:**

This financial statements are prepared for the period from April 01, 2017 to March 31, 2018 for the purpose of consolidation with the Financial Statements of Kansai Paints Limited, India.

**47) Miscellaneous:**

- (i) All amounts are stated in Crores Nepalese Rupees.
- (ii) All the account confirmation with regards to sales, purchase, receivables and payables are not available.

The image shows two circular stamps and two handwritten signatures. The first stamp is for KNP Japan Private Limited, with the text 'KNP Japan Private Limited' around the perimeter and 'Kansai Paints' in the center. The second stamp is for K. P. Rawal & Co. Chartered Accountants, with the text 'K. P. RAWAL & CO' around the perimeter and 'Chartered Accountants' at the bottom. There are two handwritten signatures, one in blue ink and one in black ink, overlaid on the stamps.