

Report on the Financial Statements

We have audited the accompanying financial statements of **SHARDA COLOMBIA S.A.S**, which comprises the statement of financial position for the year ending 31.03.2015, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the period then ended, and a summary of significant accounting policies and 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 International 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 circumstance.

Auditor's responsibility


Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply ethical requirements and plan and perform the audit to obtain reasonable assurance 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 auditors' judgment, including the assessment of the risk 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 company'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 company'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.

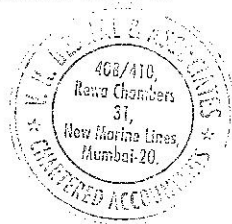
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion the financial statements present fairly, in all material respects, the financial position of **SHARDA COLOMBIA S.A.S** for the year ending 31.03.2015 and its financial performance and its cash flows for the period then ended in accordance with International Financial Reporting Standards.

**For V.K.BESWAL & ASSOCIATES,
CHARTERED ACCOUNTANTS,
FIRM REGISTRATION NO:101083W**


**CA K.V.BESWAL
PARTNER
M.NO.131054
PLACE : MUMBAI
DATED : 23/05/2015**



SHARDA COLOMBIA S.A.

Statement of Financial Position

As at 31st March, 2015

	<i>Notes</i>	<i>31-Mar-15</i> <i>US \$</i>	<i>31-Mar-14</i> <i>US \$</i>
ASSETS			
Non Current Assets			
Fixed assets	5	27,926	23,246
Capital Work in Progress	6	5,660	-
Current assets			
Inventories	7	538,721	839,109
Trade and other receivables	8	781,878	596,242
Prepayments	9	56,442	28,228
Cash and Cash equivalents	10	20,923	32,835
TOTAL ASSETS		1,431,550	1,519,659
EQUITY AND LIABILITIES			
Equity			
Share capital	11	125,391	7,842
Accumulated losses		(845,926)	(31,553)
Equity funds		(720,535)	(23,711)
Total Equity		(720,535)	(23,711)
Current liabilities			
Trade and other payables		2,092,814	1,308,630
Loan from related parties	12	37,176	169,693
Miscellaneous liabilities	13	22,095	65,047
		2,152,085	1,543,370
TOTAL EQUITY AND LIABILITIES		1,431,550	1,519,659

The accompanying notes 1 to 20 form an integral part of these financial statements.

The Independent Reviewer's Report is attached herewith.

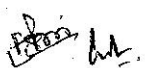
For Sharda Colombia S.A.



Director



Director

SHARDA COLOMBIA S.A.

Statement of Comprehensive Income
for the period ended 31st March, 2015

		01/04/2014 to 31/03/2015	01/01/2013 to 31/03/2014
	<u>Notes</u>	<u>US \$</u>	<u>US \$</u>
Revenue	14	1,470,438	761,179
Cost of sales	15	1,312,562	547,029
Loss from operating activities		157,876	214,150
Other Income		7,788	3,195
Expenses	16	1,298,524	279,996
Loss from operations		(1,132,859)	(62,651)
Finance costs	17	-	1,226
Depreciation	18	5,138	2,032
Net loss before tax for the period		(1,137,997)	(65,909)
Tax provision		53	10,673
Net Loss for the period		(1,138,050)	(76,582)
Other Comprehensive income			
Foreign Currency Translation difference		323,678	45,775
Total Comprehensive Income		(814,373)	(30,807)

The accompanying notes 1 to 20 form an integral part of these financial statements.

Statement of Cash flows
for the period ended 31st March, 2015

	01/04/2014 to 31/03/2015 <u>US \$</u>	01/01/2013 to 31/03/2014 <u>US \$</u>
Cash flows from operating activities		
Net loss for the period	(1,138,050)	(65,909)
Adjustments for:		
Depreciation	5,138	2,032
Finance costs	-	1,226
Operating loss before working capital changes	(1,132,912)	(62,651)
Changes in miscellaneous assets	-	6,533
Changes in Inventories	300,388	(839,109)
Changes in Trade and other receivables	(185,636)	(596,242)
Changes in Prepayments	(28,214)	(28,228)
Changes in Trade and other payables	784,184	1,308,630
Changes in Other Payables - Taxes	-	(714)
Changes in miscellaneous liabilities	(42,952)	63,405
Taxes paid		(10,214)
Net cash (used in) operating activities	(305,142)	(158,590)
Cash flows from investing activities		
Proceeds from Sale of Fixed Assets	-	-
Purchase of Fixed Assets	(15,478)	(23,407)
Loan from related party	(132,517)	169,693
Net cash (used in) investing activities	(147,995)	146,286
Cash flows from financing activities		
Finance costs paid	-	(1,226)
Bank overdrafts (repaid)/received		
Increase in Share Capital	117,549	-
Net cash from financing activities	117,549	(1,226)
Net changes in cash and cash equivalents	(335,588)	(13,531)
Cash and cash equivalents at beginning of period	32,835	590
Net Foreign exchange difference	323,678	45,775
Cash and cash equivalents at the end of the period	20,923	32,835

The accompanying notes 1 to 20 form an integral part of these financial statements.

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SHARDA COLOMBIA S.A.
Notes to the Financial Statements
for the period ended 31st March, 2015

1 Legal status

a) Sharda Colombia S.A. is a limited liability company incorporated on 13.07.2006 in the Chamber of Commerce of Bogotá.

b) The company is registered to carry out trading in chemicals.

2 Basis of preparation

a) Statement of compliance

The financial statements are prepared in accordance with International Financial Reporting Standards issued or adopted by the International Accounting Standards Board (IASB)

b) Basis of measurement

The financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange of assets.

c) Functional and presentation currency

The functional currency of the company is Colombian Pesos (COP). These financial statements are presented in United States Dollar (USD).

3 Use of estimates and judgment

The preparation of the financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Judgments made in applying accounting policies

The significant judgments made in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as follows

Impairment

At each reporting date, management conducts an assessment of fixed assets and all financial assets to determine whether there are any indications that they may be impaired. In the absence of such indications, no further action is taken. If such indications do exist, an analysis of each asset is undertaken to determine its net recoverable amount and, if this is below its carrying amount, a provision is made. In the case of loans and receivables, if an amount is deemed irrecoverable, it is written off to income statement or, if previously a provision was made, it is written off against the provision. Reversals of provisions against loans and receivables are made to the extent of the related amounts being recovered.

Key sources of estimation uncertainty and assumptions

The key assumptions concerning the future, and other key sources of estimation uncertainty and assumptions at the reporting sheet date, that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Estimated useful life of fixed assets

Management determines the estimated useful lives and depreciation charge for its property, plant and equipment at the time of addition of the assets and is reviewed on annual basis.

Inventory provisions

At any time during the review the company did not have any inventory.

Impairment

Assessments of net recoverable amounts of fixed assets and all financial assets other than loans and receivables (see above) are based on assumptions regarding future cash flows expected to be received from the related assets.

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4 Adoption of new International Financial Reporting Standards

The following international Financial Reporting Standards, amendments thereto and interpretations that became effective for the current reporting period and which are applicable to the company are as follows:

IAS 24: Related Party Disclosures

Improvements to IFRS

IFRS 7: Financial Instruments: Disclosures

IFRS 1: Presentation of Financial Statements

Their adoption has resulted in presentation and disclosure changes only.

Significant accounting policies:

a) Depreciation of fixed assets

The cost of fixed assets is depreciated by equal annual installments over their estimated useful lives.

The useful lives and depreciation method are reviewed periodically to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets.

Depreciation on additions is calculated on a pro-rata basis from the date of additions and on deletion up to the date of deletion of the asset.

The useful life of the fixed assets in the case of (Licenses) Product registrations as estimated by the management is 5 years.

b) Financial instruments

Financial assets and financial liabilities are recognized when, and only when, the company becomes a party to the contractual provisions of the instrument. Financial assets are de-recognized when, and only when, the contractual rights to receive cash flows expire or when substantially all the risks and rewards of ownership have been transferred.

Financial liabilities are de-recognized when, and only when, they are extinguished, cancelled or expired.

Financial assets

Non derivative financial assets

Initial Recognition and Measurement

Financial assets are recognized on the statement of financial position when, and only when, the company becomes a party to the contractual provisions of the financial instrument. The company determines the classification of its financial assets at initial recognition.

When financials assets are recognized initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

Subsequent Measurement

The subsequent measurement of non-derivative financial assets depends on their classification as follows:

The company classifies non-derivative financial assets into the following categories: financial assets at fair value through profit or loss, held-to-maturity financial assets, available-for-sale financial assets and loans and receivables.

Derivative financial instruments:

A derivative financial instrument is one with all three of the following characteristics:

It's value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract (sometimes called the 'underlying');

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SHARDA COLOMBIA S.A.
Notes to the Financial Statements
for the period ended 31st March, 2015

It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors; and
It is settled at a future date.

Recognition and Measurement

Derivative Financial Instruments

The company enters into a variety of derivative financial instruments to manage its exposure to foreign exchange rate risks, including foreign exchange forward contracts.

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently re measured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in income statement immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in income statement depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognized as financial assets and a derivate with a negative fair value is recognized as financial liability.

Loans and receivables

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to the initial recognition, loans and receivables are measured at amortized cost using the effective interest method, less impairment. Gains and losses are recognized in income statement when the loans and receivables are derecognized or impaired, and through the amortization process.

c) Foreign currency transactions

Transactions in foreign currencies are converted into United States Dollars at the rate of exchange ruling on the date of the transaction. Assets and liabilities expressed in foreign currencies are translated into United States Dollars at the rate of exchange ruling at the balance sheet date. Resulting gain or loss is taken to the income statement

d) Impairment

The carrying amounts of the assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of the asset or its cash-generating unit exceeds its recoverable amount. Impairment losses, if any, are recognized in the income statement.

e) Trade and other payables

Liabilities are recognized for amounts to be paid for goods or services received, whether invoiced by the supplier or not.

f) Provisions

Provisions are recognized when the company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation at the end of the reporting period, using a rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

When some or all the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of receivable can be measured reliably.

g) Fair values

The fair value of forward foreign exchange contracts is calculated by reference to current forward exchange rates with the same maturity.

h) Revenue recognition

Sales of goods

Sales represents net amount invoiced for goods delivered during the year. Sales are recognized when the significant risks and rewards of ownership of the goods have passed to the buyer.

The company recognizes revenue when the amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the company; and specific criteria have been met for each of the companies' activities.

SHARDA COLOMBIA S.A.

Notes to the Financial Statements
for the period ended 31st March, 2015
The Company as lessee

Operating lease payments are recognized as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognized as an expense in the period in which they are incurred.

i) Borrowing costs

Finance expense comprises finance cost on bank borrowing and interest paid to a shareholder is recognized in statement of comprehensive income.

j) Cash and cash equivalents

Cash and cash equivalents for the purpose of the cash flow statement comprise cash and cheques on hand, bank balance in current accounts, deposits free of encumbrance with a maturity date of three months or less from the date of deposit and highly liquid investments with a maturity date of three months or less from the date of investment.

k) Dividend:

Dividend is paid out of accumulated profits, when declared.



SHARDA COLOMBIA S.A.

Notes to the Financial Statements
for the period ended 31st March, 2015
Schedule No 5

5. Fixed assets	Office Equipments	Furniture & Fixtures	Total
	US \$	US \$	US \$
Cost			
As at 01.04.2014	4,845	18,562	23,407
Addition during the year	9,417	401	9,818
As at 31.03.2015	<u>14,262</u>	<u>18,963</u>	<u>33,225</u>
Depreciation			
As at 01.04.2014	22	139	162
Charge for the period	3,032	2,106	5,138
As at 31.03.2015	<u>3,054</u>	<u>2,245</u>	<u>5,299</u>
Net book value			
As at 31.04.2014	<u>4,823</u>	<u>18,423</u>	<u>23,245</u>
As at 31.03.2015	<u>11,208</u>	<u>16,718</u>	<u>27,926</u>

6. Capital Work In Progress

US \$

Cost	
Software	
Addition during the year	5,660
As at 31.03.2015	<u>5,660</u>

In the opinion of management, there was no impairment in respect of fixed assets.
Hence carrying value of fixed assets as at 31 March 2015 approximates their net book value.

SHARDA COLOMBIA S.A.
for the period ended 31st March, 2015

	USD 31-Mar-15	USD 31-Mar-14
7 Inventories		
Trading Goods	538,721	839,109
	<u>538,721</u>	<u>839,109</u>

	USD 31-Mar-15	USD 31-Mar-14
8 Trade and other receivables		
Trade receivables	781,878	596,242
Provision for doubtful debts	-	-
	<u>781,878</u>	<u>596,242</u>

	USD 31-Mar-15	USD 31-Mar-14
9 Prepayments		
Advance to customer	778	-
Rent deposit	9,229	11,475
Interest On Rent Deposit	152	194
Other	-	16,560
Advance To Staff	118	-
Taxes Paid	39,801	-
Balance with Govt Authority	6,363	-
	<u>56,442</u>	<u>28,228</u>

	USD 31-Mar-15	USD 31-Mar-14
10 Cash & Cash Equivalents		
Cash balance	136	-
Remittances in transit	-	11,146
Balance with Banks	20,787	21,689
	<u>20,923</u>	<u>32,835</u>

	USD 31-Mar-15	USD 31-Mar-14
11 Share capital		
Authorised :		
1,00,000 Shares of 10,000 Colombian Pesos each (3000 Shares of 10,000 Colombian Pesos each)	30,000,000	15,684
Issued and paid up		
28837 Shares of 10000 Colombian Pesos each (1500 Shares of 10000 Colombian Pesos each)	125,391	7,842
	<u>125,391</u>	<u>7,842</u>

12 Loan from related party

This amount represents long term loan received from Sharda International DMCC, a sole shareholder of the company. The said loan is interest free.

	USD 31-Mar-15	USD 31-Mar-14
13 Miscellaneous Liabilities		
Expenses Payables	-	37,610
Prov.for taxation	-	10,340
GIT Stock Revaluation	-	-
For Future Capitalisation	1	-
Duty & Taxes	22,093	17,097
Dues to related Parties	-	-
	<u>22,095</u>	<u>65,047</u>

SHARDA COLOMBIA S.A.
for the period ended 31st March, 2015

	USD 01/04/2014 to 31/03/2015	USD 01/01/2013 to 31/03/2014
14 Revenue from Operations		
Sale of Agrochemicals	14,70,438	7,61,179
	<u>14,70,438</u>	<u>7,61,179</u>

	USD 01/04/2014 to 31/03/2015	USD 01/01/2013 to 31/03/2014
15 Cost of Goods Sold		
Opening balance	8,39,109	-
Purchase	9,78,177	13,69,104
Indirect expenses	33,997	17,034
Closing balance	<u>5,38,721</u>	<u>8,39,109</u>
	<u>13,12,562</u>	<u>5,47,029</u>

	USD 01/04/2014 to 31/03/2015	USD 01/01/2013 to 31/03/2014
16 Expenses		
<u>Administrative Expenses :</u>		
Salary and related expenses	2,75,262	91,985
Administrative Expenses	1,789	-
VAT and other expenses	-	8,365
Postage & Courier charges	983	36
Legal Professional fees	2,34,608	93,097
Audit Fees	9,737	6,974
Printing & Stationery	1,233	68
Rent	15,448	11,176
Membership and subscription fees	370	392
Exchange Gain and loss	5,69,971	24,908
Sales promotions	37,195	10,009
Travelling Expenses	30,842	27,083
Other Miscellaneous Expense	1,04,913	-
Other misc taxes	16,173	5,905
	<u>12,98,524</u>	<u>2,79,996</u>

	USD 01/04/2014 to 31/03/2015	USD 01/01/2013 to 31/03/2014
17 Finance Cost		
Bank Charges	-	1,226
	<u>-</u>	<u>1,226</u>

18 Contingent Liability

There was no contingent liability of a significant amount at the balance sheet date.

20 The previous year figures are not comparable as the financials were prepared for the period the period 01/01/2013 to 31/03/2014 i.e. 15 months



19 Related party transactions

For the purpose of this financial statement, parties are considered to be related to the company if the company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making party financial and operating decisions, or vice versa, or where the company and the party are subject to common control or common significant influence. Related party may be individuals or other entities.

The nature and amount of significant transactions during the period are as under:

	01/04/2014 to 31/03/2015	01/01/2013 to 31/03/2014
	US \$	US \$

At the balance sheet date, balances with related parties were as follows:

Transaction during the year:

Purchase from Sharda International DMCC	9,61,111	12,20,711
Purchase from Sharda Cropchem Limited	-	1,48,393

Outstanding balance:

Unsecured Loans from:

Sharda International DMCC	37,176	1,69,693
Creditors for goods- Sharda International DMCC	19,12,273	11,65,837
Creditors for goods- Sharda Cropchem Limited	1,44,897	1,42,794

The said loan taken by the company is interest free and repayable on demand.

20 Financial instruments: Credit, interest rate, liquidity and exchange rate risk exposures

Credit risk (As per the management)

Financial assets, which potentially expose the company to concentrations of credit risk, comprise principally of trade and other receivables, due from a related party and bank balances.

The company's bank balances in current accounts are placed with high credit quality financial institutions.

There is no significant concentration of credit risk from trade receivables within Mexico, outside Mexico and outside the industry in which the company operates.

Liquidity risk

The following are the contractual maturities of the company's financial liabilities as of 31st March 2015:

Non-derivative financial liabilities	01/04/2014 to 31/03/2015			01/01/2013 to 31/03/2014		
	Carrying	Payable within next 12 months	Payable after 12 months	Carrying	Payable within next 12 months	Payable after 12 months
	US \$	US \$	US \$	US \$	US \$	US \$
Trade and other payables:						
Trade payables	20,92,814	20,92,814	-	13,08,630	13,08,630	-
Advance received from customers	-	-	-	-	-	-
Accruals and provisions	-	-	-	37,610	37,610	-
Other payables	-	-	-	-	-	-



SHARDA COLOMBIA S.A.

Statement of Changes in Equity
for the period ended 31st March, 2015

Particulars	Share Capital	Accumulated Profit / (loss)	Total
As at 31st March, 2014	7,842	(31,553)	(23,711)
Additions in Share Capital	117,549		117,549
Net Loss for the year		(1,138,050)	(1,138,050)
Foreign Currency Translation Difference	-	323,678	323,678
As at 31st March, 2015	125,391	(845,926)	(720,535)

The shareholder as at 31/03/2015 and its interest as of that date in share capital of the Company are as follows:

Name	Incorporation	No. of shares	Peso	USD
M/s.Siddhivinayak International limited.	United Arab Emirates.	28,687.00	286,870,000.00	124,606.90
Mr. Ramprakash Bubna	NA	30.00	300,000.00	156.84
Mr. Ashish Bubna	NA	30.00	300,000.00	156.84
Ms. Sharda Bubna	NA	30.00	300,000.00	156.84
Mr. Manish Bubna	NA	30.00	300,000.00	156.84
Ms. Seema Bubna	NA	30.00	300,000.00	156.84
TOTAL		28,837.00	288,370,000.00	125,391.10

The accompanying notes 1 to 20 form an integral part of these financial statements.