

**Report on the Financial Statements**

We have audited the accompanying financial statements of **SHARDA MALAYSIA SND.BHD.**, which comprises the statement of financial position for the year ended 31.03.2015, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year 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 MALAYSIA SDN. BHD.** for the year ended 31.03.2015 and its financial performance and its cash flows for the year 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 : 18.05.2015**



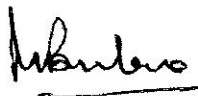
SHARDA MALAYSIA SDN. BHD.

Statement of Financial Position  
As at 31st March, 2015

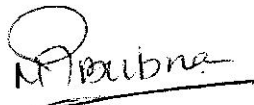
	Notes	31-Mar-15 US \$	31-Mar-14 US \$
<b>ASSETS</b>			
Current assets			
Cash and cash equivalents		-	-
<b>TOTAL ASSETS</b>		-	-
<b>EQUITY AND LIABILITIES</b>			
Equity			
Share capital	5	2	2
Accumulated Loss		(906)	(2,936)
Equity funds		(904)	(2,934)
Current liabilities			
Miscellaneous Liabilities	6	904	2,934
		904	2,934
<b>TOTAL EQUITY AND LIABILITIES</b>		-	-

The accompanying notes 1 to 10 form an integral part of these financial statements.  
The Independent Reviewer's Report is attached herewith.

For SHARDA MALAYSIA SDN. BHD.



DIRECTOR  
RVB



DIRECTOR  
MRB

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SHARDA MALAYSIA SDN. BHD.

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

		01-Apr-14 to 31-Mar-15 US \$	01-Apr-13 to 31-Mar-14 US \$
	<i>Notes</i>		
Revenue		-	-
Cost of sales		-	-
<b>Revenue from operations</b>		-	-
Other income	7	4,305	1,096
Expenses	8	(2,438)	(2,078)
<b>Profit / (Loss) from operations</b>		<b>1,867</b>	<b>(983)</b>
Finance Income			
Finance Expenses			
Finance costs (net)		-	-
<b>Profit / (Loss)for the period</b>		<b>1,867</b>	<b>(983)</b>
<b>Other Comprehensive Income</b>			
Foreign currency translation difference		163	138
<b>Total comprehensive income</b>		<b>163</b>	<b>138</b>

The accompanying notes 1 to 10 form an integral part of these financial statements.

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SHARDA MALAYSIA SDN. BHD.

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

	<i>01-Apr-14 to 31-Mar-15 US \$</i>	<i>01-Apr-13 to 31-Mar-14 US \$</i>
<b>Cash flows from operating activities</b>		
Net profit for the period	1,867	(983)
Adjustments for:		
<b>Operating profit before working capital changes</b>	<b>1,867</b>	<b>(983)</b>
Changes in current liabilities and provisions	(2,030)	845
<b>Net cash (used in) operating activities</b>	<b>(163)</b>	<b>(138)</b>
<b>Net changes in cash and cash equivalents</b>	<b>(163)</b>	<b>(138)</b>
Cash and cash equivalents at beginning of period	-	-
<b>Net Foreign exchange difference</b>	<b><u>163</u></b>	<b><u>138</u></b>
<b>Cash and cash equivalents at the end of the period</b>	<b>(0)</b>	<b>(0)</b>

*The accompanying notes 1 to 10 form an integral part of these financial statements.*

## 1 Legal status

- a) SHARDA MALAYSIA SDN. BHD. is a limited liability company incorporated under The Companies Act, 1965. The Company is incorporated on 23/03/2006
- b) The company is engaged to carry out trading in Agro 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) for the purpose of Consolidation with M/s sidhivinayak International Ltd.

### 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 Malaysian Ringgit (MYR). 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.

#### 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.

At any time during the period under review the company did not have any fixed asset inventory

## 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) 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 financial 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');

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.

**b) 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

**c) 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.

**d) Trade and other payables**

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

**e) 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.

**f) Fair values**

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

**g) 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.

**h) Borrowing costs**

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

**i) 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.

**j) Dividend:**

Dividend is paid out of accumulated profits, when declared.

SHARDA MALAYSIA SDN. BHD.

Notes to the Financial Statements  
for the period ended 31st March, 2015

	31-Mar-15	31-Mar-14
	US \$	US \$
<b>5 Share capital</b>		
Authorised :		
100000 Shares of 1 Malaysian Ringgit	29,333	29,333
Issued and paid up		
6 Shares of 1 Malaysian Ringgit	2	2
	<u>29,335</u>	<u>2</u>
	31-Mar-15	31-Mar-14
	US \$	US \$
<b>6 Miscellaneous Liabilities</b>		
Accruals and provisions		-
Other payables	904	2,934
	<u>904</u>	<u>2,934</u>
	31-Mar-15	31-Mar-14
	US \$	US \$
<b>7 Other Income</b>		
Other income	4,305	1,096
	<u>4,305</u>	<u>1,096</u>
	31-Mar-15	31-Mar-14
	US \$	US \$
<b>8 Expenses</b>		
Accounting Charges	239	251
Directors fees	1,074	1,130
Secretarial fees	251	389
Filing fees	109	115
Printing and Stationery	92	19
Service tax	29	31
Travelling , postage and courier	107	144
Shareholder fee	537	
	<u>2,438</u>	<u>2,078</u>

**9 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 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.

During the year, the company has not undertaken any related party transaction with the parties covered under aforesaid.

**10 Contingent Liability**

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



SHARDA MALAYSIA SDN. BHD.

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

	<i>Share Capital</i> <u>US \$</u>	<i>Accumulated profits</i> <u>US \$</u>	<i>Total</i> <u>US \$</u>
As at 31st March, 2014	2	(2,936)	(2,934)
Net Profit for the period	0	1,867	1,867
Currency translation difference	0	163	163
As at 31 March, 2015	<u>2</u>	<u>(906)</u>	<u>(904)</u>

*The accompanying notes 1 to 10 form an integral part of these financial statements.*

The shareholders 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	Malaysian Ringgits	US \$
M/S Siddhivinayak International Ltd	United Arab Emirates	6.00	6.00	1.76

*\**