

**SIDDHIVINAYAK INTERNATIONAL  
LIMITED**

**Financial Statements**

*31 March 2018*

*Registered office:*

1205, Westburry Commercial Tower  
Al Abraj Street, Business Bay,  
P.O. Box 71241,  
Dubai, U.A.E.

# SIDDHIVINAYAK INTERNATIONAL LIMITED

## Financial Statements

31 March 2018

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**SIDDHIVINAYAK INTERNATIONAL LIMITED**  
**Director's Report**

The director submits his report and accounts for the year ended 31 March 2018.

**Results:**

The net loss for the year amounted to US\$ 6,333/-.

**Review of the business:**

The company is registered to carry out activity of general trading and investments.

**Events since the end of the year**

There were no important events, which have occurred since the year end that materially affects the company.

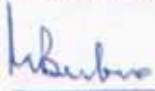
**Shareholder and its interest:**

The shareholder at 31 March 2018 and its interest as of that date in the share capital of the company was as follows:

<i>Name of the shareholder</i>	<i>Country of Incorporation</i>	<i>No. of shares</i>	<i>AED</i>	<i>US \$</i>
M/s. Sharda International DMCC	U.A.E.	2,586	2,586,000	708,070

**Auditors**

A resolution to re-appoint **KSI Shah & Associates** as auditors and fix their remuneration will be put to the board at the annual general meeting.



**Mr. Ramprakash Vilasrai Bubna**  
 Director



## **Independent Auditors' Report to the Shareholder of SIDDHIVINAYAK INTERNATIONAL LIMITED**

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of **SIDDHIVINAYAK INTERNATIONAL LIMITED** (the "Company"), which comprises of the statement of financial position as at 31 March 2018, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and explanatory notes.

In our opinion, the financial statements present fairly, in all material respects the financial position of the company as of 31 March 2018 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

#### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in the UAE, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

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

#### **Other Information**

Management is responsible for the other information. Other information comprises the director's report, which we obtained prior to the date of this auditor's report. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we concluded that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

## **Independent Auditors' Report to the Shareholder of SIDDHIVINAYAK INTERNATIONAL LIMITED**

### **Report on the Audit of the Financial Statements (contd.)**

#### **Responsibilities of Management and Those Charged With Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

#### **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

## Independent Auditors' Report to the Shareholder of SIDDHIVINAYAK INTERNATIONAL LIMITED

### Report on the Audit of the Financial Statements (contd.):

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Those Charged with Governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*KSI Shah & Associates*  
For KSI Shah & Associates  
Dubai, U.A.E.  
Signed by:  
Sonal P. Shah (Registration No. 123)



28 April 2018

## SIDDHIVINAYAK INTERNATIONAL LIMITED

## Statement of Financial Position

At 31 March 2018

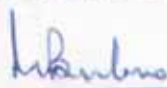
	<i>Notes</i>	<i>2018</i> <i>US \$</i>	<i>2017</i> <i>US \$</i>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Investments	6	<u>681,633</u>	<u>681,633</u>
<b>Current assets</b>			
Cash and cash equivalents		<u>2,240</u>	<u>8,469</u>
<b>TOTAL ASSETS</b>		<b><u>683,873</u></b>	<b><u>690,102</u></b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	7	708,070	708,070
Accumulated (losses)		<u>(26,341)</u>	<u>(20,008)</u>
<b>Total equity</b>		<b><u>681,729</u></b>	<b><u>688,062</u></b>
<b>Current liabilities</b>			
Accruals		<u>2,144</u>	<u>2,040</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b><u>683,873</u></b>	<b><u>690,102</u></b>

The accompanying notes 1 to 12 form an integral part of these financial statements.

The Independent Auditors' Report is set forth on pages 2 to 4.

Approved by the shareholder/ board of directors on 28<sup>th</sup> April 2018 and signed on their behalf by:

For SIDDHIVINAYAK INTERNATIONAL LIMITED



**Mr. Ramprakash Vilasrai Bubna**  
Director



**SIDDHIVINAYAK INTERNATIONAL LIMITED****Statement of Comprehensive Income**  
*for the year ended 31 March 2018*

	<i>2018</i> <u>US \$</u>	<i>2017</i> <u>US \$</u>
Expenses	<u>(6,333)</u>	<u>(6,286)</u>
<b>(Loss) for the year</b>	<b>(6,333)</b>	<b>(6,286)</b>
Other comprehensive income	—	—
<b>Total comprehensive income for the year</b>	<b><u>(6,333)</u></b>	<b><u>(6,286)</u></b>

*The accompanying notes 1 to 12 form an integral part of these financial statements.*



## SIDDHIVINAYAK INTERNATIONAL LIMITED

### Statement of Changes in Equity for the year ended 31 March 2018

	<i>Share Capital</i> <u>US \$</u>	<i>Accumulated (losses)</i> <u>US \$</u>	<i>Total</i> <u>US \$</u>
As at 31 March 2016	68,075	(13,722)	54,353
Share capital increased during the year	639,995	-	639,995
(Loss) for the year	-	<u>(6,286)</u>	<u>(6,286)</u>
<b>As at 31 March 2017</b>	<b>708,070</b>	<b>(20,008)</b>	<b>688,062</b>
(Loss) for the year	-	<u>(6,333)</u>	<u>(6,333)</u>
<b>As at 31 March 2018</b>	<b><u>708,070</u></b>	<b><u>(26,341)</u></b>	<b><u>(681,729)</u></b>

*The accompanying notes 1 to 12 form an integral part of these financial statements.*

## SIDDHIVINAYAK INTERNATIONAL LIMITED

### Statement of Cash Flows for the year ended 31 March 2018

	2018 <u>US \$</u>	2017 <u>US \$</u>
<b><u>Cash flows from operating activities</u></b>		
(Loss) from the year	(6,333)	(6,286)
Changes in accruals	104	-
Changes in due to a related party	-	(139,730)
<b>Net cash (used in) operating activities</b>	<b><u>(6,229)</u></b>	<b><u>(146,016)</u></b>
<b><u>Cash flows from investing activities</u></b>		
Changes in investments in subsidiaries	-	(500,000)
<b>Net cash (used in) investing activities</b>	<b><u>-</u></b>	<b><u>(500,000)</u></b>
<b><u>Cash flows from financing activities</u></b>		
Share capital increased	-	639,995
<b>Net cash from investing activities</b>	<b><u>-</u></b>	<b><u>639,995</u></b>
<b>Net changes in cash and cash equivalents</b>	<b>(6,229)</b>	<b>(6,021)</b>
<b>Cash and cash equivalents at beginning of year</b>	<b><u>8,469</u></b>	<b><u>14,490</u></b>
<b>Cash and cash equivalents at the end of the year</b>	<b><u>2,240</u></b>	<b><u>8,469</u></b>

*The accompanying notes 1 to 12 form an integral part of these financial statements.*

## SIDDHIVINAYAK INTERNATIONAL LIMITED

### Notes to the Financial Statements for the year ended 31 March 2018

#### 1. Legal status and business activity

- a) **SIDDHIVINAYAK INTERNATIONAL LIMITED** is a International Business Company with Limited liability registered in Ras Al Khaimah Free Trade Zone Authority, U.A.E. under the registration no. IC/098/07 issued on 5 April 2007 in accordance with Ras Al Khaimah International Corporate Centre Business Companies Regulations 2016.
- b) The company is registered to carry out activity of general trading and investments. However the company has not generated any revenue as it has not carried out any commercial activity during the year.
- c) These financial statements have been prepared as a stand-alone company, and reflect the operations of **SIDDHIVINAYAK INTERNATIONAL LIMITED** only and do not include the financial statements of its following subsidiaries:

<u>Name of the subsidiary</u>	<u>% of holding</u>
Sharda Bolivia S.R.L	99%
Sharda Colombia S.A.S	99.48%
Sharda De Mexico S. DE RL DE CV	99.99%
Sharda Europe B.V.B.A	100%
Sharda International Africa (PTY) Ltd,	100%
Sharda Malaysia SDN BHD	100%
Sharpar S.A,	90%
Sharda Uruguay S.A	100%

The consolidated financial statements of the company including its subsidiaries as above are prepared separately by the company.

#### 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) and which are effective for accounting periods beginning on or after 1 January 2017 and the implementing rules and regulations of Ras Al Khaimah International Corporate Centre Business Companies Regulations 2016.

##### 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.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

**SIDDHIVINAYAK INTERNATIONAL LIMITED****Notes to the Financial Statements**  
*for the year ended 31 March 2018***Basis of measurement (contd.):**

For financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety as described below:

- Level 1 inputs are quoted prices in active markets for identical assets or liabilities.
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

**c) Functional and presentation currency**

The functional currency of the company is U.A.E. Dirhams. These financial statements are presented in United States Dollars (USD), which in the opinion of the management is the most appropriate presentation currency in view of the global presence of the company. U.A.E. Dirham is currently fixed to USD and there are no differences on translation from functional to presentation currency.

**d) Investment in subsidiaries**

In the financial statements of the parent, investments in subsidiaries are carried at cost less any impairment in net recoverable value that has been recognized in comprehensive Statement of Comprehensive Income.

**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:

**SIDDHIVINAYAK INTERNATIONAL LIMITED****Notes to the Financial Statements**  
*for the year ended 31 March 2018****Impairment***

At each reporting date, management conducts an assessment of investments 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 Statement of Comprehensive Income 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 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 investments 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.

**4. Adoption of new and revised International Financial Reporting Standards****a) New and revised International Financial Reporting Standards**

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

- IAS 7 – Statement of Cash Flows-Disclosure Initiative Amendment
- IAS 12 – Recognition of Deferred Tax Assets for Unrealized losses
- Amendments to IFRS 12 as per annual improvements to IFRS standards 2014-16 cycle

During the current year, the management has adopted the above standards and amendments to the extent applicable to them from their effective dates.

These amendments have no significant impact on the amounts reported in these financial statements.

Their adoption has resulted in presentation and disclosure changes only.

## SIDDHIVINAYAK INTERNATIONAL LIMITED

### Notes to the Financial Statements

for the year ended 31 March 2018

#### b) International Financial Reporting Standards issue but not effective

Amendments to IFRS 2- Classification and Measurement of Share- based Payment Transactions- The effective date of the standard is set for annual periods beginning on or after 1 January 2018.

IFRS 9 – Financial Instruments (July 2014 version) this replaces the earlier IFRS 9 and is the final version – The effective date of the standard is set for annual periods beginning on or after 1 January 2018 with choice for early adoption. From February 2015 entities newly applying IFRS 9 will need to apply the version published in July 2014.

IFRS 15 – Revenue from contracts with customers – The effective date of the standard is set for annual periods beginning on or after 1 January 2018.

IFRS 16 – Leases – The effective date of the standard is set for annual periods beginning on or after 1 January 2019.

IFRS17 -Insurance Contracts The effective date of the standard is set for annual periods beginning on or after 1 January 2021.

Amendment to IAS 28 (long term interest in Associates and Joint Ventures The effective date of the standard is set for annual periods beginning on or after 1 January 2019.

Amendments to IAS 40 – Transfer of Investment Property- The effective date of the standard is set for annual periods beginning on or after 1 January 2018.

Amendments to IFRSs- Annual improvements to IFRS Standards 2014-16 Cycle

IFRIC22- Foreign Currency Transactions and Advance Consideration- The effective date of the standard is set for annual periods beginning on or after 1 January 2018.

IFRIC23-uncertainty of Income Tax Position- The effective date of the standard is set for annual periods beginning on or after 1 January 2019.

## 5. Significant accounting policies:

### a) Investment in subsidiaries:

Subsidiary is an entity (investee) which is controlled by another entity (the Parent or the Investor). The control is based on whether,

- a) The Investor has power over the investee
- b) It is exposed to rights of variable returns and
- c) It has the ability to use its power to affect the amount of the returns.

The purchase method of accounting is used to account for the acquisition of subsidiaries. The cost of an acquisition is measured as the fair value of the assets given up, shares issued or liabilities undertaken at the date of acquisition plus costs directly attributable to the acquisition. The excess of cost of acquisition over the fair value of the net assets of the subsidiary acquired is recorded as goodwill.

**SIDDHIVINAYAK INTERNATIONAL LIMITED****Notes to the Financial Statements***for the year ended 31 March 2018***Investment in subsidiaries (contd.):**

Investment in subsidiaries is stated at cost less provision for impairment if any.

Income from investment in subsidiaries is accounted only to the extent of receipt of distribution of accumulated net profits of subsidiary. Distributions received in excess of such profits are considered as a recovery of investments and are recorded as a reduction of the cost of investments.

**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.

During the year, the company does not have any non-derivative financial assets.

**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 Statement of Comprehensive Income.

**SIDDHIVINAYAK INTERNATIONAL LIMITED****Notes to the Financial Statements**  
*for the year ended 31 March 2018***d) Impairment of financial assets**

The company assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Financial asset together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realized or has been transferred to the company.

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the financial assets carrying amount and the present value of estimated future cash flows.

For financial assets carried at amortized cost, the carrying amount is reduced through the use of an allowance account and the amount of the loss is recognized in the Statement of Comprehensive Income.

If a write-off is later recovered, the recovery is credited to finance costs in the Statement of Comprehensive Income.

**e) Accruals**

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) Leases**

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership and the lease payments are charged to the income statement on a straight line basis over the period of lease.

**h) 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.



## SIDDHIVINAYAK INTERNATIONAL LIMITED

### Notes to the Financial Statements for the year ended 31 March 2018

	2018	2017
	<u>US \$</u>	<u>US \$</u>
<b>6. Investments</b>		
<u>Investments in share capital of subsidiaries (stated at cost):</u>		
a. Sharda Bolivia S.R.L	1,384	1,384
b. Sharda Colombia S.A.	146,788	146,788
c. Sharda De Mexico S. DE RL DE CV	500,219	500,219
d. Sharda Europe B.V.B.A	9,118	9,118
e. Sharda International Africa (PTY) Ltd	14	14
f. Sharda Malaysia SDN BHD	2	2
g. Sharpar S.A	5,400	5,400
h. Sharda Uruguay S.A	18,708	18,708
	<b><u>681,633</u></b>	<b><u>681,633</u></b>
a) Represents investment in 99% share capital of a company registered in Bolivia. The subsidiary company's share capital is divided into 100 shares of Bolivian Boliviano 100 each.		
b) Represents investment in 99.48% share capital of a company registered in Colombia. The subsidiary company's share capital is divided into 28,837 shares of Colombian Peso 10,000 each.		
c) Represents investment in 99.99% share capital of a company registered in Mexico. The subsidiary company's share capital is divided into 1 shares of Mexican Peso 9,312,570 each and 1 shares of Mexican Peso 30 each.		
d) Represents investment in 100% share capital of a company registered in Belgium, Europe. The subsidiary company's share capital is divided into 100 shares of Euros 62 each paid up capital.		
e) Represents investment in 100% share capital of a company registered in South Africa. The subsidiary company's share capital is divided into 100 shares of South African Rand 1 each.		
f) Represents investment in 100% share capital of a company registered in Malaysia. The subsidiary company's share capital is divided into 6 shares of Malaysian Ringgit 1 each.		
g) Represents investment in 90% share capital of a company registered in Paraguay. The subsidiary company's share capital is divided into 30 shares of Paraguayan Guarani 1,000,000 each.		
h) Represents investment in 100% share capital of a company registered in Uruguay. The subsidiary company's share capital is divided into 5 shares of Uruguayan Peso 75,000 each.		
In the opinion of management, there was no impairment in respect of any of the above investments, hence carrying value of the investments as at 31 March 2018 approximates their net book value.		
	2018	2017
	<u>US \$</u>	<u>US \$</u>
<b>7. Share capital <sup>a</sup></b>		
<b>Authorized, issued and paid up:</b>		
2,586 shares of AED 1,000 (US \$ 1 @ AED 3.652)	<b><u>708,070</u></b>	<b><u>708,070</u></b>

<sup>a</sup> Share certificate is issued in the name of M/s. Sharda International DMCC, Dubai, U.A.E..

## SIDDHIVINAYAK INTERNATIONAL LIMITED

### Notes to the Financial Statements for the year ended 31 March 2018

#### 8. 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 year are as under:

	<u>2018</u>	<u>2017</u>
	<u>US \$</u>	<u>US \$</u>
Loan repaid to shareholder	-	139,730

#### 9. Financial instruments: Credit, Market risk and liquidity risk exposures

The company has exposure to the following risks from its use financial instruments:

- a) Credit risk
- b) Market risk
- c) Liquidity risk

##### a) Credit risk

Financial assets, which potentially expose the company to concentrations of credit risk, comprise principally of bank balance.

##### *Trade and other receivables*

There is no significant concentration of credit risk from trade and other receivables situated within and outside U.A.E. and outside the industry in which the company operates.

##### *Bank balance*

The company's bank balance in current accounts is placed with high credit quality financial institution.

##### b) Interest rate risk

Since the company does not have any deposits or borrowings, interest rate risk is minimum.

## SIDDHIVINAYAK INTERNATIONAL LIMITED

### Notes to the Financial Statements for the year ended 31 March 2018

#### *Exchange rate risk*

Except for the following assets and liabilities, which is denominated in foreign currencies, there is no significant exchange rate risk as substantially all financial assets and financial liabilities are denominated in US Dollar to which the U.A.E. Dirham is fixed.

	<i>2018</i>	<i>2017</i>
	<u>US \$</u>	<u>US \$</u>
<i>Investment in share capital of subsidiaries:</i>		
Bolivian Boliviano	1,384	1,384
Colombian Peso	146,788	146,788
Mexican Peso	500,219	500,219
Euros	9,118	9,118
South African Rand	14	14
Malaysian Ringgit	2	2
Paraguayan Guarani	5,400	5,400
Uruguayan Peso	18,708	18,708

#### c) **Liquidity risk**

Liquidity risk is the risk that the company will not be able to meet financial obligations as they fall due. The liquidity requirements are monitored on a regular basis by the owners and the management who ensure that sufficient funds are made available to the company to meet any future commitments.

#### **10. Financial instruments: Fair values**

The fair values of the company's financial assets, comprising of bank balance and financial liabilities, comprising of accruals approximate to their carrying values.

#### **11. Contingent liability**

There was no contingent liability of a significant amount outstanding as at the reporting date.

#### **12. Comparative figures**

Previous year's figures have been regrouped/reclassified wherever necessary to conform to the presentation adopted in the current year.