

Report on the Financial Statements

We have audited the accompanying financial statements of **SHARDA COLUMBIA S.A.**, which comprises the statement of financial position for the year ending 31.03.2017, 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 COLUMBIA S.A.** for the year ending 31.03.2017 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 : 03.05.2017



SHARDA COLOMBIA S.A.

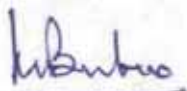
Statement of Financial Position
As at 31st March, 2017

	Notes	31-Mar-17 US \$	31-Mar-16 US \$
ASSETS			
Non Current Assets			
Fixed assets	5	12,764	24,823
Capital Work in Progress	6	-	3,521
Current assets			
Inventories	7	5,68,711	2,70,000
Trade and other receivables	8	6,16,578	4,32,543
Prepayments	9	1,26,309	77,985
Cash and Cash equivalents	10	12,943	18,924
TOTAL ASSETS		13,37,305	8,27,796
EQUITY AND LIABILITIES			
Equity			
Share capital	11	1,25,391	1,25,391
Accumulated losses		95,495	(76,438)
Equity funds		2,20,886	48,953
Total Equity		2,20,886	48,953
Current liabilities			
Trade and other payables		10,10,021	7,59,086
Loan from related parties	12	-	-
Miscellaneous liabilities	13	12,865	19,757
Provisions		93,532	-
		11,16,419	7,78,843
TOTAL EQUITY AND LIABILITIES		13,37,305	8,27,796

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.



R.V. Bubna
Director & President



Manish Bubna
Director & Secretary



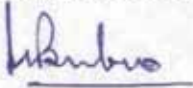
SHARDA COLOMBIA S.A.

Statement of Comprehensive Income
for the period ended 31st March, 2017

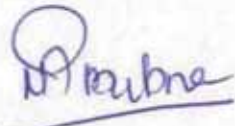
		01/04/2016 to 31/03/2017	01/04/2015 to 31/03/2016
	Notes	US \$	US \$
Revenue	13	13,87,453	7,77,704
Cost of sales	14	11,00,922	6,44,807
Profit from operating activities		2,86,531	1,32,897
Other Income		3,29,865	11,58,116
Expenses	15	3,17,618	6,58,890
Profit/(Loss) from operations		2,98,778	6,32,123
Finance Income		376	342
Finance costs	16	7,492	6,374
Finance costs (Net)		(7,116)	(6,032)
Depreciation	5	2,936	3,103
Net profit/(Loss) before tax for the period		2,88,727	6,22,988
Tax provision		90,708	-
Net Profit/(Loss) for the period		1,98,019	6,22,988
Other Comprehensive income			
Prior Period Expenses/Income		-	-
Foreign Currency Translation difference		(26,086)	1,46,500
Total Comprehensive Income		1,71,933	7,69,488

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

For Sharda Colombia S.A.



R.V. Bubna
Director & President



Manish Bubna
Director & Secretary



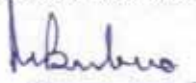
SHARDA COLOMBIA S.A.

Statement of Cash flows
for the period ended 31st March, 2017

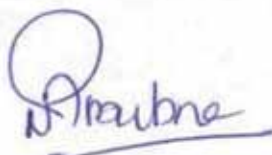
	01/04/2016 to 31/03/2017 US \$	01/04/2015 to 31/03/2016 US \$
Cash flows from operating activities		
Net Profit/(Loss) for the period	1,98,019	6,22,989
Adjustments for:		
Depreciation	2,936	3,103
Finance costs	7,116	6,032
Operating profit/(loss) before working capital changes	2,08,070	6,32,124
Changes in miscellaneous assets	-	-
Changes in inventories	(2,98,711)	2,68,721
Changes in Trade and other receivables	(1,84,035)	3,49,335
Changes in Prepayments	(48,324)	(21,542)
Changes in Trade and other payables	3,44,467	(13,33,728)
Changes in miscellaneous liabilities	(6,892)	(2,338)
Net cash (used in) operating activities	14,576	(1,07,428)
Cash flows from investing activities		
Purchase of Fixed Assets	-	-
Changes in Capital work in progress (Ref Note No.6)	3,521	2,138
Loan from related party	-	-
Net cash (used in) investing activities	3,521	2,138
Cash flows from financing activities		
Finance costs paid	(7,116)	(6,032)
Loans repaid	-	(37,176)
Increase in Share Capital	-	-
Net cash from financing activities	(7,116)	(43,208)
Net changes in cash and cash equivalents	10,981	(1,48,498)
Cash and cash equivalents at beginning of period	18,924	20,923
Net Foreign exchange difference	(16,963)	1,46,500
Cash and cash equivalents at the end of the period	12,943	18,924

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

For Sharda Colombia S.A.



R.V. Bubna
Director & President



Manish Bubna
Director & Secretary



SHARDA COLOMBIA S.A.

Statement of Changes in Equity
for the year ended 31st March, 2017

	Share capital	Reserves	Foreign currency translation reserve	Total
As at 1st April, 2015	1,25,391	(11,69,604)	3,23,678	(8,45,926)
Net profit/(loss) for the period		6,22,988		6,22,988
Other comprehensive income			1,46,500	1,46,500
As at 31st March, 2016	1,25,391	(5,46,616)	4,70,178	(76,438)
Increase in Share Capital				
Net profit/(loss) for the period		1,98,019		1,98,019
Other comprehensive income			(26,086)	(26,086)
As at 31st March, 2017	1,25,391	(3,48,597)	4,44,092	95,495

The shareholder as at 31/03/2017 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	2868,70,000.00	1,24,606.80
Mr. Ramprakash Bubna	NA	30.00	3,00,000.00	156.84
Mr. Ashish Bubna	NA	30.00	3,00,000.00	156.84
Ms. Sharda Bubna	NA	30.00	3,00,000.00	156.84
Mr. Manish Bubna	NA	30.00	3,00,000.00	156.84
Ms. Seema Bubna	NA	30.00	3,00,000.00	156.84
TOTAL		28,837.00	2883,70,000.00	1,25,391.00

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

The financial statements of the Company having been prepared on going concern basis, notwithstanding the fact that its net worth is completely eroded.



SHARDA COLOMBIA S.A.

Notes to the Financial Statements
for the period ended 31st March, 2017

5. Fixed assets	Office Equipments <u>US \$</u>	Furniture & Fixtures <u>US \$</u>	Total <u>US \$</u>
Cost			
As at 01.04.2016	14,262	18,962	33,224
Addition during the year	-	-	-
As at 31.03.2017	14,262	18,962	33,224
Exchange difference	(4,504)	(6,056)	(10,561)
As at 31.03.2017	9,758	12,906	22,663
Depreciation			
As at 01.04.2016	4,860	3,539	8,400
Charge for the period	1,710	1,226	2,936
Exchange difference	(822)	(613)	(1,436)
As at 31.03.2017	5,748	4,151	1,500
Net book value			
As at 31.03.2016	<u>9,402</u>	<u>15,423</u>	<u>24,823</u>
As at 31.03.2017	<u>4,009</u>	<u>8,754</u>	<u>12,764</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 2017 approximates their net book value.



SHARDA COLOMBIA S.A.
for the period ended 31st March, 2017

	USD 31-Mar-17	USD 31-Mar-16
7 Inventories		
Trading Goods	5,68,711	2,70,000
	<u>5,68,711</u>	<u>2,70,000</u>
8 Trade and other receivables		
Trade receivables	6,16,578	4,32,543
	<u>6,16,578</u>	<u>4,32,543</u>
9 Prepayments		
Advance to Suppliers	1,557	1,550
Rent deposit	8,791	8,026
Interest On Rent Deposit	180	152
Balance with Govt Authority	1,15,781	68,257
	<u>1,26,309</u>	<u>77,985</u>
10 Cash & Cash Equivalents		
Cash balance	-	7
Balance with Banks	12,943	18,917
	<u>12,943</u>	<u>18,924</u>
11 Share capital		
Authorised :		
1,00,000 Shares of 10,000 Colombian Pesos each (1,00,000 Shares of 10,000 Colombian Pesos each)	300,00,000	300,00,000
Issued and paid up		
28837 Shares of 10000 Colombian Pesos each (28873 Shares of 10000 Colombian Pesos each)	1,25,391	1,25,391
	<u>1,25,391</u>	<u>1,25,391</u>
12 Miscellaneous Liabilities		
Advances from customers	-	-
For Future Capitalisation	1	1
Duty & Taxes	12,864	22,093
	<u>12,865</u>	<u>22,094</u>



SHARDA COLOMBIA S.A.
for the period ended 31st March, 2017

	USD 01/04/2016 to 31/03/2017	USD 01/04/2015 to 31/03/2016
13 Revenue from Operations		
Sale of Agrochemicals	13,87,453	7,77,704
	<u>13,87,453</u>	<u>7,77,704</u>
14 Cost of Goods Sold		
Opening balance	2,70,000	5,38,721
Purchase	13,81,089	3,53,794
direct expenses	18,544	22,292
Closing balance	5,68,711	2,70,000
	<u>11,00,922</u>	<u>6,44,807</u>
15 Expenses		
<u>Administrative Expenses :</u>		
Salary and related expenses	1,31,524	1,53,829
Administrative Expenses	9,807	8,649
Postage & Courier charges	575	551
Legal Professional fees*	77,706	1,05,999
Audit Fees	6,507	7,877
Printing & Stationery	1,082	659
Rent	12,890	12,381
Membership and subscription fees	803	290
Exchange loss (net)	-	2,92,720
Sales promotions	4,457	4,123
Travelling Expenses	14,293	14,428
Other Miscellaneous Expense*	37,577	36,905
Other misc taxes	20,397	20,479
	<u>3,17,618</u>	<u>6,58,890</u>
16 Finance Cost		
Bank Charges	7,492	6,374
	<u>7,492</u>	<u>6,374</u>
17 Contingent Liability		

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



18 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.

(a) Nature of relationship:

Particulars	Nature of Relationship
1. Sharda Cropchem Limited	Holding Company of Sharda International DMCC
2. Sharda International DMCC	Holding Company

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

Particulars	01/04/2016 to 31/03/2017	01/04/2015 to 31/03/2016
	US \$	US \$
Transaction during the year:		
Purchase from Sharda International DMCC	10,90,680	3,79,112
Purchase from Sharda Cropchem Limited	2,72,378	-
Credit Note from Sharda International DMCC * (on account of Ex- change rate difference in COP & INR)	3,03,831	10,07,536
Credit Note from Sharda Cropchem Limited *(on account of Ex- change rate difference in COP & INR)	-	1,42,464
Repayment of Loan of Sharda International DMCC**	-	36,551
Outstanding balance:		
<u>Unsecured Loans from:</u>		
Sharda International DMCC	-	-
Creditors for goods- Sharda International DMCC	6,86,273	7,28,760
Creditors for goods- Sharda Cropchem Limited	2,72,378	-

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

* Credited to Other Income

** Difference of USD 625 is on account of foreign exchange rate difference.

19 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.



SHARDA COLOMBIA S.A.
for the period ended 31st March, 2017

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

20 Liquidity risk

The following are the contractual maturities of the company's financial liabilities as of 31st March 2017:

Non-derivative financial liabilities	01/04/2016 to 31/03/2017		01/04/2015 to 31/03/2016	
	Carrying	Payable within next 12 months	Carrying	Payable within next 12 months
	US \$	US \$	US \$	US \$
Trade and other payables:				
Trade payables	10,10,021	10,10,021	7,59,086	7,59,086
Advance received from customers	-	-	-	-
Accruals and provisions	-	-	-	-
Other payables	12,864	12,864	22,093	22,093



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.

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

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 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.

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) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the country where the company generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

i) 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.

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.

j) Borrowing costs



SHARDA COLOMBIA S.A.
Notes to the Financial Statements
for the period ended 31st March, 2017

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

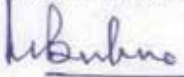
k) Cash and cash equivalents

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.

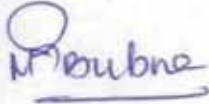
l) Dividend:

Dividend is paid out of accumulated profits, when declared.

For Sharda Colombia S.A.



R.V. Bubna
Director & President



Manish Bubna
Director & Secretary

