

**SIDDHIVINAYAK INTERNATIONAL
LIMITED**

Financial Statements

31 March 2016

Registered office:

1205 Westburry Commercial Tower,
Al Abraj Street, Business bay,
Dubai, U.A.E.

SIDDHIVINAYAK INTERNATIONAL LIMITED

Financial Statements

31 March 2016

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SIDDHIVINAYAK INTERNATIONAL LIMITED
Director's Report

The director submits his report and accounts for the year ended 31 March 2016.

Results:

The net loss for the year amounted to US\$ 7,583/-.

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 2016 and its interest as of that date in the share capital of the company was as follows:

<u>Name of the shareholder</u>	<u>Country of Incorporation</u>	<u>No. of shares</u>	<u>AED</u>	<u>US \$</u>
M/s. Sharda International DMCC	U.A.E.	250	250,000	68,075

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.



Ramesh Vilasarai Bubna

Mr. Ramesh Vilasarai Bubna
 Director

Independent Auditors' Report to the Shareholder of SIDDHIVINAYAK INTERNATIONAL LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **SIDDHIVINAYAK INTERNATIONAL LIMITED**, which comprises the statement of financial position as of 31 March 2016, 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.

Auditors' 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 **SIDDHIVINAYAK INTERNATIONAL LIMITED** as of 31 March 2016 and its financial performance in accordance with International Financial Reporting Standards.

KSI Shah & Associates

For KSI Shah & Associates
Dubai, U.A.E.

Signed by:

Sonal P. Shah (Registration No. 123)

16 MAY 2016



SIDDHIVINAYAK INTERNATIONAL LIMITED

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Statement of Financial Position
At 31 March 2016

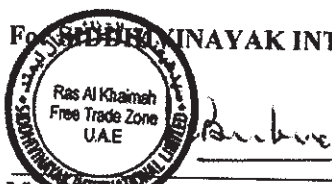
	<i>Notes</i>	<i>2016</i> <u>US \$</u>	<i>2015</i> <u>US \$</u>
ASSETS			
Non-current assets			
Investments	6	<u>181,633</u>	<u>181,633</u>
Current assets			
Cash and cash equivalents		<u>14,490</u>	<u>20,849</u>
TOTAL ASSETS		<u>196,123</u>	<u>202,482</u>
EQUITY AND LIABILITIES			
Equity			
Share capital	7	68,075	68,075
Accumulated (losses)		<u>(13,722)</u>	<u>(6,139)</u>
Total equity		<u>54,353</u>	<u>61,936</u>
Current liabilities			
Accruals		2,041	816
Due to a related party	8	<u>139,730</u>	<u>139,730</u>
		<u>141,771</u>	<u>140,546</u>
TOTAL EQUITY AND LIABILITIES		<u>196,123</u>	<u>202,482</u>

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

The Independent Auditors' Report is set forth on page 2.

Approved by the shareholder on 16th May 2016 and signed on its behalf by:

For **SIDDHIVINAYAK INTERNATIONAL LIMITED**



Mr. **Vijayakrishna** **Vilasarai Bubna**
Director

SIDDHIVINAYAK INTERNATIONAL LIMITED**Statement of Comprehensive Income**
for the year ended 31 March 2016

	<i>2016</i>	<i>2015</i>
	<u><i>US \$</i></u>	<u><i>US \$</i></u>
Expenses	<u>(7,583)</u>	<u>(5,803)</u>
(Loss) for the year	(7,583)	(5,803)
Other comprehensive income	<u>-</u>	<u>-</u>
Total comprehensive income for the year	<u>(7,583)</u>	<u>(5,803)</u>

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 2016

	<i>Share Capital US \$</i>	<i>Accumulated (losses) US \$</i>	<i>Total US \$</i>
As at 31 March 2014	68,075	(336)	67,739
(Loss) for the year	—	<u>(5,803)</u>	<u>(5,803)</u>
As at 31 March 2015	68,075	(6,139)	61,936
(Loss) for the year	—	<u>(7,583)</u>	<u>(7,583)</u>
As at 31 March 2016	<u>68,075</u>	<u>(13,722)</u>	<u>54,353</u>

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 31st March 2016

	<i>2016</i>	<i>2015</i>
	<u>US \$</u>	<u>US \$</u>
<u>Cash flows from operating activities</u>		
(Loss) from the year	(7,583)	(5,803)
Changes in accruals	1,224	816
Changes in related party balance	-	139,730
Net cash (used in)/from operating activities	<u>(6,359)</u>	<u>134,743</u>
<u>Cash flows from investing activities</u>		
Changes in investments	-	(139,730)
Net cash (used in) investing activities	<u>-</u>	<u>(139,730)</u>
Net changes in cash and cash equivalents	6,359	(4,987)
Cash and cash equivalents at beginning of year	<u>20,849</u>	<u>25,836</u>
Cash and cash equivalents at the end of the year	<u>14,490</u>	<u>20,849</u>

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 2016

1. Legal status and business activity

- a) **SIDDHIVINAYAK INTERNATIONAL LIMITED** is an International Company with Limited liability registered in Ras Al Khaimah Free Trade Zone Authority, U.A.E. under the registration no. 98 issued in accordance to the International Companies Regulations, 2006 of Ras Al Khaimah Free Trade Zone Authority regulations.
- 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, Colombia	99.48%
Sharda De Mexico	99%
Sharda Europe B.V.B.A	100%
Sharda International Africa Ltd, S. Africa	100%
Sharda Malaysia SDN BHD	100%
Sharpar S.A, Paraguay	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 2014 and the implementing rules and regulations of the International Companies Regulations, 2006 of Ras Al Khaimah Free Trade Zone.

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 2016***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 2016****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:

- Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27)
- Offsetting Financial Assets and Financial Liabilities (Amendments to IAS 32)
- Recoverable Amount Disclosures for Non-Financial Assets (Amendments to IAS 36)

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 2016

b) International Financial Reporting Standards issue in 2014 but not effective

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.

IFRS14 – Regulatory Deferral Accounts – The effective date of the standard is set for annual periods beginning on or after 1 January 2016.

IFRS 15 – Revenue from contracts with customers – The effective date of the standard is set for annual periods beginning on or after 1 January 2017.

The company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

5. Significant accounting policies:

a) Depreciation of fixed assets

Minor purchases of fixed assets are depreciated fully in the year of purchase.

b) 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.

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.

c) 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.

SIDDHIVINAYAK INTERNATIONAL LIMITED**Notes to the Financial Statements**
*for the year ended 31 March 2016***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.

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

d) 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.

e) 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.

SIDDHIVINAYAK INTERNATIONAL LIMITED

Notes to the Financial Statements for the year ended 31 March 2016

f) Trade and other payables

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

g) 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.

h) 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.

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.

	<u>2016</u> <u>US \$</u>	<u>2015</u> <u>US \$</u>
6. Investments		
<u>Investments in share capital of subsidiaries</u> <u>(stated at cost):</u>		
a. Sharda Bolivia S.R.L	1,384	1,384
b. Sharda Colombia S.A.S, Colombia	146,788	146,788
c. Sharda De Mexico	219	219
d. Sharda Europe B.V.B.A	9,118	9,118
e. Sharda International Africa Ltd, S. Africa	14	14
f. Sharda Malaysia SDN BHD	2	2
g. Sharpar S.A, Paraguay	5,400	5,400
h. Sharda Uruguay S.A	<u>18,708</u>	<u>18,708</u>
	<u>181,633</u>	<u>181,633</u>

SIDDHIVINAYAK INTERNATIONAL LIMITED

Notes to the Financial Statements for the year ended 31 March 2016

Investments notes (contd.):

- a) Represents investment in 99% share capital of a company registered in Bolivia. The company's share capital is divided into 99 shares of Bolivian Boliviano 100 each.
- b) Represents investment in 99.48% share capital of a company registered in Colombia. The company's share capital is divided into 28,837 shares of Colombian Peso 10,000 each.
- c) Represents investment in 99% share capital of a company registered in Mexico. The company's share capital is divided into 1 share of Mexican Peso 2,970 each.
- d) Represents investment in 100% share capital of a company registered in Belgium, Europe. The company's share capital is divided into 100 shares of Euros 62 each.
- e) Represents investment in 100% share capital of a company registered in South Africa. The 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 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 company's share capital is divided into 27 shares of Paraguayan Guarani 1,000,000 each.
- h) Represents investment in 100% share capital of a company registered in Uruguay. The 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 2016 approximates their net book value.

	2016	2015
	<u>US \$</u>	<u>US \$</u>
7. Share capital		
Authorized, issued and paid up:		
250 shares of AED 1,000 ^a	<u>68,075</u>	<u>68,075</u>
(US \$ 1 @ AED 3.674)		

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

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.

SIDDHIVINAYAK INTERNATIONAL LIMITED

Notes to the Financial Statements for the year ended 31 March 2016

Related party transactions (contd.):

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

	2016	2015
	<u>US.\$</u>	<u>US.\$</u>
<u>Due to a related party:</u>		
Sharda International DMCC, U.A.E., (shareholder)	139,730	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.

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.

SIDDHIVINAYAK INTERNATIONAL LIMITED

Notes to the Financial Statements for the year ended 31 March 2016

	<i>2016</i>	<i>2015</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	219	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

The following are the contractual maturities of the company's financial liabilities as of 31 March 2016:

	<i>Carrying</i>	<i>Payable</i>	<i>Payable</i>
	<i>Amounts</i>	<i>within next</i>	<i>after</i>
<i>Non-derivative financial liabilities</i>	<u>US \$</u>	<u>12 months</u>	<u>12 months</u>
		<u>US \$</u>	<u>US \$</u>
Due to a related party	139,730	139,730	-
Accruals	<u>2,041</u>	<u>2,041</u>	<u>-</u>

10. Financial instruments: Fair values

The fair values of the company's financial assets, comprising of bank balance and financial liabilities, comprising of accruals and due to a related party 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.