

Report on the Financial Statements

We have audited the accompanying financial statements of **EUROAZIJSKI PESTICIDI D.O.O**, which comprises the statement of financial position for the year ending 31.03.2018, 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 **EUROAZIJSKI PESTICIDI D.O.O** for the year ending 31.03.2018 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 : 11.04.2018



EUROAZIJSKI PESTICIDI D.O.O

Statement of Financial Position
As at 31 March, 2018

	<u>Notes</u>	<u>31-Mar-18</u> <u>US \$</u>	<u>31-Mar-17</u> <u>US \$</u>
ASSETS			
Current assets			
Cash and bank balances	4	456	4,667
Other Assets	5	861	873
Total assets		1,317	5,540
EQUITY AND LIABILITIES			
Equity			
Share Capital	6	3,381	3,381
Other equity	7	(29,136)	(18,616)
Total equity		(25,755)	(15,235)
Current liabilities			
Other Liabilities	8	27,072	20,775
Total Current Liabilities		27,072	20,775
Total equity and liabilities		1,317	5,540

For EUROAZIJSKI PESTICIDI D.O.O

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DIRECTOR

RVB

11 APR 2018



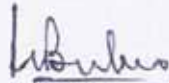
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EUROAZIJSKI PESTICIDI D.O.O

Statement of Comprehensive Income
for the year ended 31 March, 2018

	Notes	01-Apr-17 to 31-Mar-18 US \$	01-Apr-16 to 31-Mar-17 US \$
Revenue			
Cost of sales		-	-
Revenue from operations		-	-
Other Income		36,143	86,270
Administration expenses	9	(43,384)	(1,06,353)
Other expenses	10	(416)	(2,190)
Profit/Loss for the period		(7,657)	(22,273)
Finance income	11	-	62
Net profit/(loss) for the period		(7,657)	(22,211)
Other Comprehensive Income			
Foreign currency translation difference		(2,863)	86
Total other comprehensive Income		(2,863)	86
Total Comprehensive Income		(10,520)	(22,125)
Earnings per Share			
Basic and diluted		(7,657)	(22,211)

For EUROAZIJSKI PESTICIDI D.O.O



DIRECTOR

RvB

17 APR 2018





EUROAZIJSKI PESTICIDI D.O.O

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

	Share Capital	Reserves	Foreign currency translation reserve	Total
	US \$	US \$	US \$	US \$
As at 31st March, 2016	3,381	3,509	-	6,890
Net profit/(loss) for the period		(22,211)		(22,211)
Other Comprehensive Income			86	86
Total Comprehensive Income		(22,211)	86	(22,125)
As at 31 March, 2017	3,381	(18,702)	86	(15,235)
Net profit/(loss) for the period		(7,657)		(7,657)
Other Comprehensive Income			(2,863)	(2,863)
Total Comprehensive Income		(7,657)	(2,863)	(10,520)
As at 31 March, 2018	3,381	(26,359)	(2,777)	(25,755)

The Shareholder as at 31/03/2018 and its interest as of that date in share capital of the company are as follows:-

Name of Shareholder	Incorporated in Country	No. of Shares	Amount in HRK	Amount in USD
Sharda International DMCC	UAE	1	20,000	3,381.00

For EUROAZIJSKI PESTICIDI D.O.O

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DIRECTOR

RVB

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EUROAZIJSKI PESTICIDI D.O.O

Statement of Cash flows
for the year ended 31 March, 2018

	01-Apr-17 to 31-Mar-18 US \$	01-Apr-16 to 31-Mar-17 US \$
Cash flows from operating activities		
Net profit/ (loss) for the period	(7,657)	(22,211)
Adjustments for:		
Finance costs (net)	-	532
Operating profit/(loss) before working capital changes	(7,657)	(21,679)
Other current assets	12	11,508
Other Current Liabilities	6,297	14,449
Net cash (used in) operating activities	(1,348)	4,278
Cash flows from investing activities		
Net cash (used in) investing activities	-	-
Cash flows from financing activities		
Finance costs paid (net)	-	(532)
Net cash from financing activities	-	(532)
Net changes in cash and cash equivalents	(1,348)	3,746
Foreign currency translation difference	(2,863)	86
Cash and cash equivalents at beginning of period	4,667	835
Cash and cash equivalents at the end of the period	456	4,667

For EUROAZIJSKI PESTICIDI D.O.O

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DIRECTOR

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17 APR 2018



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EUROAZIJSKI PESTICIDI D.O.O
Notes to the Financial Statements
for the year ended 31 March, 2018

1 Legal status

Euroazijski Pesticidi d.o.o was incorporated on 20.11.2012 in Croatia as a private company with limited liability.

The principal activity of the company is the business of agrochemicals.

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 April 2015

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 Croatian Kuna (HRK). 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 assets and inventory



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

Subsequent Measurement

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

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

Derivative financial instruments:

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

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

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.

b) 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 Euros at the rate of exchange ruling on the date of the transaction. Assets and liabilities expressed in foreign currencies are translated into Euros at the rate of exchange ruling at the balance sheet date. Resulting gain or loss is taken to the income statement



d) Impairment

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

e) Trade and other payables

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

f) Provisions

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

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

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

g) Fair values

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

h) Revenue recognition

Sales of goods

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

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

i) Borrowing costs

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

j) Cash and cash equivalents

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

k) Dividend:

Dividend is paid out of accumulated profits, when declared.



EUROAZIJSKI PESTICIDI D.O.O

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

	31-Mar-18 <u>US \$</u>	31-Mar-17 <u>US \$</u>
4 Cash and bank balances		
Bank Balances in current accounts	456	4,667
	<u>456</u>	<u>4,667</u>
5 Other Current Assets		
VAT Receivable	861	873
	<u>861</u>	<u>873</u>
6 Share Capital		
Authorised		
1 share of HRK 20,000 each	3,381	3,381
Issued and paid up		
1 share of HRK 20,000 each	3,381	3,381
	<u>3,381</u>	<u>3,381</u>
7 Reserves and surplus		
a) Foreign currency translation reserve		
Opening balance	86	-
Add: Profit/(loss) during the year	(2,863)	86
Closing balance	<u>(2,777)</u>	<u>86</u>
b) Accumulated profits		
Opening balance	(18,702)	3,509
Add: Profit/(loss) during the year	(7,657)	(22,211)
Closing balance	<u>(26,359)</u>	<u>(18,702)</u>
8 Other Current Liabilities		
Creditors for expenses	3,794	2,022
Liabilities for taxes, contributions and similar fees	5,080	4,348
Other	18,198	14,405
	<u>27,072</u>	<u>20,775</u>
9 Administration expenses		
Professional fees	3,661	-
Certification expenses	39,723	1,06,353
	<u>43,384</u>	<u>1,06,353</u>



EUROAZIJSKI PESTICIDI D.O.O

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

	<i>01-Apr-17 to 31-Mar-18 <u>US \$</u></i>	<i>01-Apr-16 to 31-Mar-17 <u>US \$</u></i>
10 Other expenses		
Rates and taxes	-	387
Rent	-	657
Membership fees	-	74
Other	296	478
Bank charges	120	594
	<u>416</u>	<u>2,190</u>
	<i>01-Apr-17 to 31-Mar-18 <u>US \$</u></i>	<i>01-Apr-16 to 31-Mar-17 <u>US \$</u></i>
11 Finance income		
Bank interest	-	62
	<u>-</u>	<u>62</u>

