

INDEPENDENT AUDITORS REPORT

To
The Members of **SHARDA COSTA RICA SA,**

We have audited the attached Balance Sheet of SHARDA COSTA RICA SA ('the Company') for the period 01.04.2014 – 30.09.2014, and Cash flow of the Company for the period ended on that date. These Financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.


We conducted our audit in accordance with auditing standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Further, we report that:

- a. We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. The Balance Sheet dealt with by this report are in agreement with the books of accounts;
 - d. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
1. in the case of the Balance Sheet, of the State of affairs of the Company as at September 30, 2014; and
 2. In the case of cash flow statement, of the cash flows for the period ended on that date.

**For V.K.BESWAL & ASSOCIATES,
CHARTERED ACCOUNTANTS,
FIRM REGISTRATION NO:101083W**


**[CA K.V.BESWAL]
PARTNER
M.NO.131054
PLACE : MUMBAI
DATED : 27.11.2014**



SHARDA COSTA RICA SA

BALANCE SHEET AS AT 30TH SEPTEMBER 2014

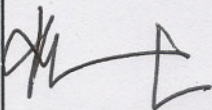
(Amount in CRC)

Particulars	Note No	As at 30-Sep-14	As at 30-Sep-13
EQUITY AND LIABILITIES			
Shareholders' funds			
(a)Share Capital	3	2,000	2,000
(b)Reserves & Surplus		-	-
		2,000	2,000
Total		2,000	2,000
ASSETS			
Current Assets			
Cash and Cash Equivalents	4	2,000	2,000
Total		2,000	2,000
Summary of significant accounting policies	2.1		

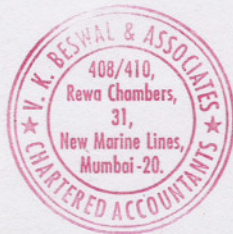
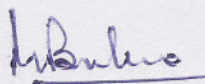
The accompanying notes are an integral part of the financial statements.

As per our report of even date
For V.K.BESWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No. 101083W

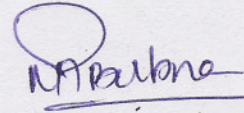
For and on behalf of the Board of Directors of
SHARDA COSTA RICA SA



CA K.V.BESWAL
[PARTNER]
Membership Number - 131054
PLACE : MUMBAI
Date: 27.11.2014

PRESIDENT
RVB



FISCAL AGENT
mlb

SHARDA COSTA RICA SA
CASH FLOW STATEMENT FOR THE PERIOD ENDED 30TH SEPTEMBER 2014

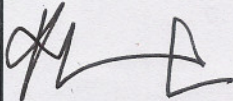
Particulars	(Amount in CRC)	
	Period ended 30-Sep-14	Period ended 30-Sep-13
Cash flow from operating activities		
Profit before tax from continuing operations		-
Profit before tax		-
Adjustments to reconcile profit before tax to net cash flows		
Operating profit before working capital changes		-
Movements in working capital :		
Cash generated from / (used in) operations		-
Net cash flow from/ (used in) operating activities (A)		-
Cash flows from investing activities		
Net cash flow from/ (used in) investing activities (B)		-
Cash flows from financing activities		
Net cash flow from/ (used in) in financing activities (C)		-
Net increase/(decrease) in cash and cash equivalents (A + B + C)		-
Cash and cash equivalents at the beginning of the year	2,000	2,000
Cash and cash equivalents at the end of the year	2,000	2,000
Components of cash and cash equivalents		
Cash on hand	2,000	2,000
With banks- on current account	-	-
- on deposit account	-	-
Total cash and cash equivalents (note 4)	2,000	2,000

Summary of significant accounting policies

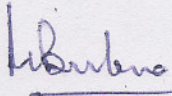
2.1

As per our report of even date
 For V.K.BESWAL & ASSOCIATES
 CHARTERED ACCOUNTANTS
 Firm Registration No. 101083W

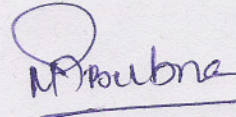
For and on behalf of the Board of Directors of
 SHARDA COSTA RICA SA



CA K.V.BESWAL
 [PARTNER]
 Membership Number - 131054
 PLACE : MUMBAI
 Date: 27.11.2014

PRESIDENT
 RVB



FISCAL AGENT
 MRTB

SHARDA COSTA RICA SA

Notes to financial statements for the period ended 30th September 2014

1. Corporate information

Sharda Costa Rica SA (the company) was incorporated on 30.01.2009 in Costa Rica. The holding company is Sharda Cropchem Limited (formerly known as Sharda Worldwide Exports Pvt. Ltd.) from 13.10.2012.

2. Basis of preparation

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The financial statements have been prepared to comply in all material respects with the accounting standards notified by Companies (Accounting Standards) Rules, 2006, as amended, and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied and are consistent with those used in the previous year.

2.1 Summary of significant accounting policies

(a) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

(b) Tangible fixed assets

Fixed Assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises of the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

(c) Depreciation on tangible fixed assets

Depreciation is provided after impairment, if any, using the straight line method as per the useful lives of the assets estimated by the management, or at rates prescribed under Schedule XIV of the Companies Act, 1956, whichever is higher. Assets costing Rs.5,000 or less are fully depreciated in the year of acquisition.

(d) Intangible assets and amortisation

Intangible Assets are stated at cost less accumulated amortisation.

(e) Impairment of tangible and intangible assets

(i) The carrying amounts of assets are reviewed for impairment at each Balance Sheet date to determine if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using pre tax rate, that reflect current market assessment of the time value of money and the risk specific to the assets.

(ii) After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.



(f) Research and Development costs

Research costs are expensed as incurred.

(g) Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as Current Investments. All other Investments are classified as Non-Current Investments. Current Investments are carried at lower of cost and fair value determined on an individual investment basis.

Non-Current Investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in nature.

(h) Inventories

Raw materials, Traded goods and Finished goods are valued at lower of cost or net realizable value. Cost includes direct material & direct expenses. Cost is determined on a weighted average basis. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sales.

(i) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Sale of goods

Revenue is recognized when the significant risks and rewards of ownership of the goods have been passed to the buyer.

Interest

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividends

Revenue is recognized when the shareholders' right to receive payment is established by the Balance Sheet date.

(j) Foreign currency transactions

Foreign currency transactions and balances

(i) Initial recognition

Foreign Currency transactions are recorded in the reporting currency, by applying to the foreign currency amount, the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion

Foreign Currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of the transaction and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rate that existed when the values were determined.

(iii) Exchange differences

Exchange differences arising on the settlement of monetary items or on reporting monetary items of Company at rates different from those at which they were initially recorded during the year or reported in previous financial statements are recognized as income or as expenses in the year in which they arise.



SHARDA COSTA RICA SA

Notes to financial statements for the period ended 30th September 2014

(k) Leases

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating Lease payments are recognized as an expense in the Profit and Loss Account on a straight-line

(l) Cash and cash equivalents

Cash and Cash Equivalents for the purpose of cash flow statement comprise Cash on Hand, Cash at Bank and Term Deposits with banks and also include Short term Investments with an original maturity of three months or less.

(m) Taxes on Income

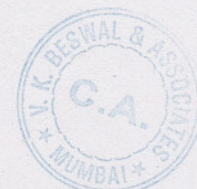
Tax expense comprises of Current and Deferred Tax. Current Income Tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax law enacted in Costa Rica. Deferred Tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred Tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred Tax Assets and Deferred Tax Liabilities are offset if a legally enforceable right exists to set off Current Tax Assets against Current Tax Liabilities. The Deferred Tax Assets and Deferred Tax Liabilities relate to the taxes on income levied by same governing taxation laws. Deferred Tax Assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such Deferred Tax Assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all Deferred Tax Assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

The carrying amount of Deferred Tax Assets are reviewed at each Balance Sheet date. The Company writes-down the carrying amount of a Deferred Tax Asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which Deferred Tax Asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available. In the absence of any timing difference as per the Indian Tax Laws, no provision of Deferred Tax has been made.

(n) Provisions and Contingencies

A Provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised but are disclosed in the note to the financial statements unless the possibility of an outflow of resources embodying economic benefits is remote.



SHARDA COSTA RICA SA

Notes to financial statements for the period ended 30th September 2014

3. Share Capital

Particulars	As at 30 Sep 2014	As at 30 Sep 2013
	CRC	CRC
Authorised shares 100 Shares of CRC 20 each	2,000	2,000
Issued and Subscribed and fully paid-up shares 100 Shares of CRC 20 each	2,000	2,000
Total Issued, Subscribed and Paid-up share capital	2,000	2,000

B Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	Equity Shares		Equity Shares	
	As at 30 Sep 2014		As at 30 Sep 2013	
	Number	CRC	Number	CRC
At the beginning of the period	100	2,000	100	2,000
Issued during the period	-	-	-	-
Outstanding at the end of the period	100	2,000	100	2,000

C Details of shareholders holding more than 5% of shares in the company

Name of Shareholder	As at 30 Sep 2014		As at 30 Sep 2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Sharda Cropchem Limited (Formerly known as Sharda Worldwide Exports Private Limited)	99	99.00%	99	99.00%

4. Cash and Cash Equivalents

Particulars	As at 30 Sep 2014	As at 30 Sep 2013
	CRC	CRC
Cash in hand	2000	2000
Total	2,000	2,000

5. Capital and Other Commitments and Contingent Liabilities

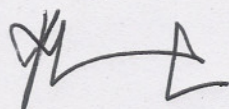
Particulars	As at 30 Sep 2014	As at 30 Sep 2013
	CRC	CRC
Estimated Capital commitments	NIL	NIL
Advance against capital Items	NIL	NIL
Claims made against the company not acknowledged as debts	NIL	NIL

6. During the year, the company has not started any commercial activities, and in absence of the same, no Profit and Loss Account is prepared.

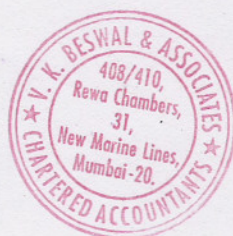
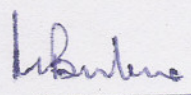
In terms of our report of even date,

For **V.K.BESWAL & ASSOCIATES**
CHARTERED ACCOUNTANTS
 Firm Registration No. 101083W

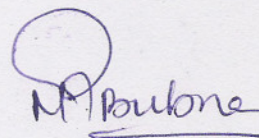
For and on behalf of the Board of Directors of
SHARDA COSTA RICA SA



CA **K.V.BESWAL**
 [PARTNER]
 Membership Number - 131054
 PLACE : MUMBAI
 DATED : 27.11.2014

PRESIDENT
 RVB



FISCAL AGENT
 MRB