

Report on the Financial Statements

We have audited the accompanying financial statements of **SHARDA INTERNATIONAL AFRICA (PTY) LTD**, 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 INTERNATIONAL AFRICA (PTY) LTD** 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

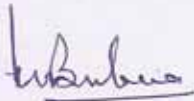


SHARDA INTERNATIONAL AFRICA (PTY) LTD
Statement of Financial Position as at 31st March, 2017

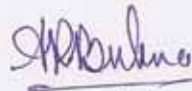
Particulars	Notes	31-Mar-17	31-Mar-16
		US \$	US \$
ASSETS			
Non Current Assets			
Fixed assets	6	469.48	-
Deferred tax asset		13,844.98	
Current assets			
Inventories	7	8,55,422.68	-
Trade and other receivables	8	3,45,732.52	-
Prepayments	9	1,731.63	-
Cash and cash equivalents	10	33,661.15	8.00
Other current assets	11	35,826.90	-
TOTAL ASSETS		12,86,689.34	8.00
EQUITY AND LIABILITIES			
Equity			
Share capital	12	14.00	14.00
Accumulated losses		(35,608.04)	(6.00)
Total Equity		(35,594.04)	8.00
Current liabilities			
Trade payables	13	13,19,350.10	-
Other current liabilities	14	2,933.28	-
		13,22,283.38	-
TOTAL EQUITY AND LIABILITIES		12,86,689.34	8.00

The accompanying notes 1 to 21 form an integral part of these financial statements.
The Independent Reviewer's Report is attached herewith.

For Sharda International Africa (Pty) Ltd



R.V. Bubna
Director



Ashish Bubna
Director

03 MAY 2017



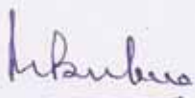
SHARDA INTERNATIONAL AFRICA (PTY) LTD

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

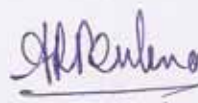
Particulars	Notes	31-Mar-17	31-Mar-16
		US \$	US \$
Revenue	15	6,39,337.41	-
Cost of sales	16	6,04,933.80	-
Profit / (loss) from operating activities		34,403.61	-
Other Income	17	68,482.03	-
Expenses	18	1,14,497.22	-
Profit / (loss) from operations		(11,611.58)	-
Finance costs (Net)	19	379.87	-
Depreciation	6	48.24	-
Net loss before tax for the year		(12,039.69)	-
Tax provision		-	-
Deferred tax asset		(13,272.64)	-
Net loss for the year		1,232.95	-
Other Comprehensive income		-	-
Net income		1,232.95	-
Foreign currency translation difference		36,834.99	6.00
Total comprehensive income		(35,602.04)	(6.00)

The accompanying notes 1 to 21 form an integral part of these financial statements.

For Sharda International Africa (Pty) Ltd



R.V. Bubna
Director



Ashish Bubna
Director

03 MAY 2017

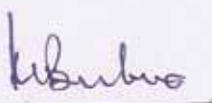


SHARDA INTERNATIONAL AFRICA (PTY) LTD
Statement of Cash flows for the year ended 31st March, 2017

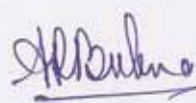
Particulars	31-Mar-17	31-Mar-16
	US \$	US \$
<u>Cash flows from operating activities</u>		
Net loss for the period	(12,039.69)	-
<u>Adjustments for:</u>		
Depreciation	48.24	-
Finance costs	(379.87)	-
Operating loss before working capital changes	(12,371.32)	-
Changes in Inventories	(8,55,422.68)	-
Changes in Trade and other receivables	(3,45,732.52)	-
Changes in Prepayments	(1,731.63)	-
Changes in Other current assets	(32,868.86)	-
Changes in Trade and other payables	13,19,350.10	-
Changes in Other current liabilities	2,933.28	-
Taxes paid	(2,958.04)	-
Net cash (used in) operating activities	71,198.33	-
<u>Cash flows from investing activities</u>		
Purchase of Fixed Assets	(519.80)	-
Net cash (used in) investing activities	(519.80)	-
<u>Cash flows from financing activities</u>		
Finance costs paid	379.87	-
Increase in Share Capital	-	-
Net cash from financing activities	379.87	-
Net changes in cash and cash equivalents	71,058.40	-
Cash and cash equivalents at beginning of period	8.00	8.00
Net Foreign exchange difference	(37,405.25)	-
Cash and cash equivalents at the end of the period	33,661.15	8.00
<u>Components of cash and cash equivalents</u>		
Cash on hand	7.41	8.00
With banks in current account	33,653.74	-
Total cash and cash equivalents	33,661.15	8.00

The accompanying notes 1 to 21 form an integral part of these financial statements.

For Sharda International Africa (Pty) Ltd



R.V. Bubna
Director



Ashish Bubna
Director

03 MAY 2017



SHARDA INTERNATIONAL AFRICA (PTY) LTD

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

Particulars	Share Capital	Reserves	Foreign Currency	Total
	US \$	US \$	US \$	US \$
As at 31st March, 2015	14.00	-	(6.00)	8.00
Net profit / (loss) for the year	-	-	-	-
Prior period expenses	-	-	-	-
Other comprehensive income	-	-	-	-
As at 31st March, 2016	14.00	-	(6.00)	8.00
Net profit / (loss) for the year	-	1,232.95	-	1,232.95
Other comprehensive income	-	-	(36,834.99)	(36,834.99)
As at 31st March, 2017	14.00	1,232.95	(36,840.99)	(35,594.04)

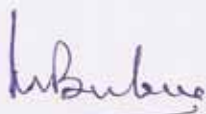
The shareholder as at 31/03/2017 and their interest as of that date in share capital of the Company are as follows:

Name	Incorporation	No. of shares	US \$
M/s.Siddhivinayak International Limited	United Arab Emirates	100	14.00
Total		100	14.00

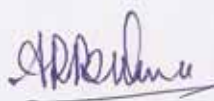
The accompanying notes 1 to 21 form an integral part of these financial statements.

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

For Sharda International Africa (Pty) Ltd



R.V. Bubna
Director



Ashish Bubna
Director

03 MAY 2017



1 Legal status

- a) Sharda International Africa (Pty) Ltd. is a private company incorporated on 08.02.2010 in South Africa.
- b) The company is registered to carry out trading in chemicals.
- c) The company commenced trading on September 01, 2016.

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 South African Rand (ZAR). 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.

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

IFRS 7: Financial Instruments: Disclosures

IFRS 1: Presentation of Financial Statements

Their adoption has resulted in presentation and disclosure changes only.



5 Significant accounting policies:

a) Depreciation of fixed assets

The cost of fixed assets is depreciated by equal annual installments over their estimated useful lives as follows:

Computer 3 years

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.

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.

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 remeasured 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) Inventories for trading

Inventories are valued at lower of cost or net realizable value where the cost is determined by using weighted average method.

Cost comprises invoice value plus attributable direct expenses.

Net realizable value is based on estimated selling price less any further costs expected to be incurred for disposal.

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 income statement.

e) 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.

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) Fair values

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

i) 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.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.



SHARDA INTERNATIONAL AFRICA (PTY) LTD

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

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

j) 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.

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.

k) 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.

l) Borrowing costs

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

m) 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.

n) Dividend:

Dividend is paid out of accumulated profits, when declared.



SHARDA INTERNATIONAL AFRICA (PTY) LTD

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

Note 6: Fixed assets

Particulars	Office Equipments	Furniture & Fixtures	Computer	Total
	US \$	US \$	US \$	US \$
Cost				
As at 01.04.16	-	-	-	-
Addition during the year	-	-	519.80	519.80
As at 31.03.2017	-	-	519.80	519.80
Depreciation				
As at 01.04.2016	-	-	-	-
Charge for the period	-	-	48.24	48.24
Exchange difference	-	-	2.08	2.08
As at 31.03.2017	-	-	50.32	50.32
Net book value				
As at 01.04.2016	-	-	-	-
As at 31.03.2017	-	-	469.48	469.48

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 INTERNATIONAL AFRICA (PTY) LTD

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

Note 7: Inventories	31-Mar-17	31-Mar-16
	US \$	US \$
Trading goods	8,55,422.68	-
Total:	8,55,422.68	-

Note 8: Trade and other receivables	31-Mar-17	31-Mar-16
	US \$	US \$
Trade receivables	3,45,732.52	-
Total:	3,45,732.52	-

Note 9: Prepayments	31-Mar-17	31-Mar-16
	US \$	US \$
Prepaid godown rent	1,597.17	-
Prepaid office rent	134.46	-
Total:	1,731.63	-

Note 10: Cash & cash equivalents	31-Mar-17	31-Mar-16
	US \$	US \$
Cash balance	7.41	8.00
Balance with bank	33,653.74	-
Total:	33,661.15	8.00

Note 11: Other current assets	31-Mar-17	31-Mar-16
	US \$	US \$
Provisional tax	2,958.04	-
Balance with government authorities		
-VAT receivable	4,375.19	-
Other Advances	28,493.67	
Total:	35,826.90	-

Note 12: Share capital	31-Mar-17	31-Mar-16
	US \$	US \$
Authorised:		
1,000 Shares of ZAR 1 each (1,000 Shares of ZAR 1 each)	137.00	137.00
Issued and paid up:		
100 Shares of ZAR 1 each (100 Shares of ZAR 1 each)	14.00	14.00
	14.00	14.00



SHARDA INTERNATIONAL AFRICA (PTY) LTD

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

Note 13: Trade payables	31-Mar-17	31-Mar-16
	US \$	US \$
Trade payables	13,19,350.10	-
Total:	13,19,350.10	-

Note 14: Other current liabilities	31-Mar-17	31-Mar-16
	US \$	US \$
Duties & taxes payable		
-PAYE payable	2,782.03	-
-SDL Payable	144.28	-
-UIF payable	6.97	-
Total:	2,933.28	-



SHARDA INTERNATIONAL AFRICA (PTY) LTD

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

Note 15: Revenue from operations	31-Mar-17	31-Mar-16
	US \$	US \$
Revenue from operations	6,39,337.41	-
Total:	6,39,337.41	-

Note 16: Cost of sales	31-Mar-17	31-Mar-16
	US \$	US \$
Opening stock	-	-
Purchase	14,43,227.50	-
Direct expenses	17,128.98	-
Closing stock	8,55,422.68	-
Total:	6,04,933.80	-

Note 17: Other income	31-Mar-17	31-Mar-16
	US \$	US \$
Exchange gain (unrealised)	37,317.08	-
Exchange gain (realised)	30,540.68	-
Miscellaneous income	624.27	-
Total:	68,482.03	-

Note 18: Expenses	31-Mar-17	31-Mar-16
	US \$	US \$
Salary and related expenses	54,219.02	-
Freight & forwarding charges	11,463.96	-
Rent, rates & taxes	10,483.99	-
Commission on sales	12,786.75	-
Sales promotion	770.75	-
Legal & professional fees	6,300.33	-
Travelling expenses	10,914.79	-
Communication expenses	4,184.94	-
Office expenses	824.67	-
Repairs & maintenance	80.86	-
Payment to auditors	1,917.48	-
Miscellaneous expenses	549.68	-
Total:	1,14,497.22	-



SHARDA INTERNATIONAL AFRICA (PTY) LTD

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

Note 19: Finance cost (net)	31-Mar-17	31-Mar-16
	US \$	US \$
Finance cost		
Bank charges	414.07	-
	414.07	-
Finance income		
Interest on current account	34.20	-
	34.20	-
Finance cost (net)	379.87	-



Note 20: Contingent liability

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

Note 21: 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 period are as under:

Particulars	31-Mar-17	31-Mar-16
	US \$	US \$
At the balance sheet date, balances with related parties were as follows:		
Transaction during the year:		
Purchase from Sharda International DMCC	55,413.11	-
Purchase from Sharda Cropchem Limited	13,77,087.88	-
Outstanding balance:		
Creditors for goods- Sharda International DMCC	-	-
Creditors for goods- Sharda Cropchem Limited	12,66,376.54	-

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.

The company's bank balances in current accounts are placed with high credit quality financial institutions.

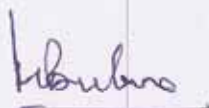
There is no significant concentration of credit risk from trade receivables within South Africa, outside South Africa and outside the industry in which the company operates.

Liquidity risk

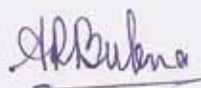
The following are the contractual maturities of the company's financial liabilities as of 31st March 2017:

Non-derivative financial liabilities	31-Mar-17		
	Carrying	Payable within next 12 months	Payable after 12 months
	US \$	US \$	US \$
Trade and other payables:			
Trade payables	13,19,350.10	13,19,350.10	-
Advance received from customers	-	-	-
Accruals and provisions	-	-	-
Other payables	2,933.28	2,933.28	-

For Sharda International Africa (Pty) Ltd



R.V. Bubna
Director



Ashish Bubna
Director



03 MAY 2017