

CLARIS MIDDLE EAST FZ - LLC

DUBAI, UNITED ARAB EMIRATES

FINANCIAL STATEMENTS

AND

INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED

MARCH 31, 2016

CLARIS MIDDLE EAST FZ - LLC
Dubai – United Arab Emirates

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Claris Middle East FZ - LLC

DIRECTOR'S REPORT

Your Director has pleasure in presenting the Report and Financial Statements of the company for the year ended March 31, 2016.

Results and Profit

The Net Loss for the year amounted to AED 117,867/-.

Review of the Business

The segment activity of the company as per Trade License is Regional Head Quarters, Marketing office.

Financial Results

- Financial results of the company are:
 - i. The company has not carried on any commercial operations during the year and hence the sales of the company are NIL.
 - ii. Net loss of the company is AED 117,867/-.

Auditors

A resolution to re-appoint M/s N.R. Doshi & Partners, Public Accountants as Auditors and fix their remuneration will be put to the partners at the Annual General Meeting.



Mr Chandrasingh Shivrambhai Purohit
Managing Director

Date: April 20, 2016



Claris Middle East FZ-LLC
Dubai International Academic City,
Building - 03, Ground Floor,
Executive Office No. 11, Dubai,
United Arab Emirates

INDEPENDENT AUDITOR'S REPORT TO THE PARTNERS OF

CLARIS MIDDLE EAST FZ - LLC Dubai – United Arab Emirates

We have audited the accompanying financial statements of **CLARIS MIDDLE EAST FZ - LLC DUBAI- U.A.E.** which comprise the statement of financial position as at March 31, 2016, and the statement of Profit or Loss and other 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 other explanatory notes as set out on pages 4 - 16.

Management's Responsibility for the Financial Statements

Management of the company is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRSs), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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 the International Standards on Auditing. Those standards require that we comply with 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 auditor's 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 entity'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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidences we have obtained are sufficient and appropriate to provide a basis for our audit purpose.

(Independent Auditor's Report Continued on Next page)



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Independent Auditor's Report on CLARIS MIDDLE EAST FZ - LLC (Continued...)

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the company as of March 31, 2016 and of its financial performance and its cash flows for the year then ended, in accordance with the International Financial Reporting Standards (IFRSs).

Report on Other Legal and Regulatory Requirements

Also, in our opinion, proper books of account are maintained by the company, and the information included in the Director's report related to the financial statements is in agreement with the books of account. We have obtained all the information and explanations which we considered necessary for the purpose of our audit. Based on the information available, during the year, there were no contraventions of the Dubai Technology and Media Free Zone Private Company Regulations 2003 issued under Law no. 1 of 2000 of the Emirate of Dubai as repealed under Law No. (15) of 2014 during the year under audit, which might have a material effect on the financial position of the Company or on the results of its operations for the year ended on March 31, 2016.

N. R. Doshi & Partners
Public Accountants

Dubai, United Arab Emirates

Date: April 20, 2016



CLARIS MIDDLE EAST FZ - LLC
Dubai - United Arab Emirates

Statement of Financial Position

As at March 31, 2016

All figures are expressed in U.A.E. Dirham

	NOTE	As at 31.03.2016	As at 31.03.2015
ASSETS			
Non-Current Assets			
Investments	5	50,000	50,000
Total Non-Current Assets	(A)	50,000	50,000
Current Assets			
Cash and Bank Balances	6	305,379	319,227
Deposits, Prepayments and Advances	7	26,944	39,389
Other Receivables	8	1,023,650	50,650
Total Current Assets	(B)	1,355,973	409,266
TOTAL ASSETS	(A+B)	1,405,973	459,266
EQUITY AND LIABILITIES			
Shareholder's Equity			
Share Capital		1,250,000	400,000
Accumulated Profits/ (Losses)		(198,988)	(81,131)
Total Shareholder's Equity	(C)	1,051,002	318,869
Current Liabilities			
Provisions and Accruals		20,000	20,000
Other Payables	9	334,971	120,397
Total Current Liabilities	(D)	354,971	140,397
TOTAL EQUITY AND LIABILITIES	(C+D)	1,405,973	459,266

We approve these financial statements and confirm that we are responsible for them, including selecting the accounting policies and making the judgments underlying them. We also confirm that we have made available all relevant accounting records and information for their compilation. The financial statements on pages 4 - 16 were approved on April 20, 2016 and signed by



Mr Chandrasingh Shivrambhai Purohit
 Managing Director

Independent Auditor's Report Page 2 and 3

Amal
Signature

CLARIS MIDDLE EAST FZ - LLC
Dubai - United Arab Emirates

Statement of Profit or Loss and Other Comprehensive Income

Year Ended: March 31, 2016

All figures are expressed in U.A.E. Dirhams

	NOTE	01.04.2015 To 31.03.2016	29.09.2014 To 31.03.2015
Revenue		0	0
Cost of Sales		0	0
Gross Profit		0	0
<u>Expenses</u>			
Rent		48,528	21,860
Other Administrative Expenses	10	68,339	34,461
Preliminary Expenses written off		0	24,810
Operational Expenses		(117,867)	(81,131)
Net (Loss) from ordinary activities taken to Accumulated (Losses)		(117,867)	(81,131)

These financial statements on pages 4 - 16 were approved on April 20, 2016 and signed by


Mr Chandrasingh Shivrambhai Purohit
Managing Director

Independent Auditor's Report Page 2 and 3

Review

Handwritten mark

CLARIS MIDDLE EAST FZ - LLC
Dubai - United Arab Emirates

Statement of Changes in Equity

Year Ended: March 31, 2016

All figures are expressed in U.A.E. Dirhams

	Share Capital	Accumulated (Losses)	Total
Funds Introduced (Net)	400,000	0	400,000
Transfer from Statement of Profit or Loss and Other Comprehensive Income	0	(81,131)	(81,131)
Balance as at 31.03.2015	400,000	(81,131)	318,869
Increase in Share Capital	850,000	0	850,000
Transfer from Statement of Profit or Loss and Other Comprehensive Income	0	(117,867)	(117,867)
Balance as at 31.03.2016	1,250,000	(198,998)	1,051,002

CLARIS MIDDLE EAST FZ - LLC
Dubai - United Arab Emirates

Statement of Cash Flows

Year Ended: March 31, 2016

All figures are expressed in U.A.E. Dirhams	NOTE	01.04.2015 To 31.03.2016	29.09.2014 To 31.03.2015
I. CASH FLOW FROM OPERATING ACTIVITIES			
Net (Loss) for the year/ period		(117,867)	(81,131)
Operating (Loss) before Working Capital Changes		<u>(117,867)</u>	<u>(81,131)</u>
(Increase) / Decrease in Deposits, Prepayments and Advances		12,445	(39,389)
Increase in Provisions and Accruals		0	20,000
(Increase) in Other receivables		(973,000)	(50,650)
Increase in Other Payables		214,574	120,397
Cash Flow (Used in) Operating Activities		<u>(863,848)</u>	<u>(30,773)</u>
II. CASH FLOW FROM INVESTING ACTIVITIES			
(Increase) / Decrease in Investments		0	(50,000)
Net Cash Flow from / (Used in) Investing Activities		<u>0</u>	<u>(50,000)</u>
III. CASH FLOW FROM FINANCING ACTIVITIES			
Increase in Share Capital		850,000	400,000
Net Cash Flow from Financing Activities		<u>850,000</u>	<u>400,000</u>
Increase / (Decrease) in Cash and Cash Equivalents (I+II+III)		(13,848)	319,227
Cash and Cash Equivalents as at 01.04.2015	(Note - 7,4k)	<u>319,227</u>	<u>0</u>
Cash and Cash Equivalents as at 31.03.2016	(Note -7,4k)	<u>305,379</u>	<u>319,227</u>

CLARIS MIDDLE EAST FZ - LLC
Dubai – United Arab Emirates

Notes to Financial Statements

Year Ended: March 31, 2016

All figures are expressed in U.A.E. Dirhams

1. Legal Status, Management and Business Activities

a. Legal Status

CLARIS MIDDLE EAST FZ-LLC, a wholly owned subsidiary of Claris Lifesciences Limited (India) is registered as a Free Zone Company with Limited Liability pursuant to Dubai Technology and Media Free Zone Private Companies Regulations 2003 issued under Law No. 1 of 2000 of Emirate of Dubai as repealed by Law No. (15) of 2014. Accordingly, "Dubai Technology & Media Free Zone" and "Dubai Technology & Media Free Zone Authority" shall, wherever it appears in any legislation applicable in the Emirate, be substituted by the expression "Dubai Creative Clusters" and "Dubai Creative Clusters Authority" respectively.

The Dubai Creative Clusters Authority has issued License No. 92479 and Certificate of Incorporation No. 92479 dated September 29, 2014.

The registered office of the company is located at Building: 03, Ground Floor, Executive Office No. 11, Dubai International Academic City, Dubai, United Arab Emirates.

The following is the shareholder of the company contributing 100% of its share capital till May 23, 2015:

Name	No. of Share	Value per Share (AED)	Total Value (AED)	Percentage (%)
Claris Lifesciences Limited (India)	400	1,000	400,000	100

However, with effect from May 24, 2015, share capital of the company has been increased and the revised share capital of the company is as follows:

Name	No. of Share	Value per Share (AED)	Total Value (AED)	Percentage (%)
Claris Lifesciences Limited (India)	1,250	1,000	1,250,000	100

b. Management

The company is managed by the managing director Mr. Chandrasingh Shivrambhai Purohit.

c. Business Activities

As per Trade License, the segment-activity of the company is Regional Head Quarters, Marketing Office.

2. Standards, amendments and interpretations effective but not relevant to the company's operations

The following standards, amendments and interpretations to published standards are mandatory but they are not relevant to the company's operations:

IFRIC 11 IFRS 2	Group and treasury share transactions
IFRIC 12	Service concession arrangements
IFRIC 14 IAS 19	The limit on a defined benefit asset, minimum funding requirements and their interaction
IAS 20	Accounting for government grants and disclosure of government assistance
IFRIC 13	Customer loyalty programmes
IFRIC 16	Hedges of a net investment in a foreign operation

3. Standards and interpretations in issue but not yet effective

At the date of authorization of these financial statements, the following standards, amendments to existing standards and interpretations were in issue but not yet effective and the Company has not early adopted them:

IFRS 5	Non-Current Assets Held for Sale and Discontinued Operations (effective from accounting periods beginning on or after January 1, 2016)
IFRS 7	Financial Instruments: Disclosures (effective from accounting periods beginning on or after January 1, 2018)
IFRS 9	Financial Instruments (effective from accounting periods beginning on or after January 1, 2018)
IFRS 10	Consolidated Financial Statements (effective date yet to be published)
IFRS 11	Joint Arrangements (effective from accounting periods beginning on or after January 1, 2016)
IFRS 12	Disclosure of Interests in Other Entities (effective from accounting periods beginning from January 1, 2016)
IFRS 14	Regulatory Deferral Accounts (effective from accounting periods beginning on or after January 1, 2016)
IFRS 15	Financial Instruments: Disclosures (effective from accounting periods beginning on or after January 1, 2018)
IFRS 16	Leases (effective from accounting periods beginning on or after January 1, 2019)
IAS 1	Presentation of Financial Statements: Disclosures (effective from accounting periods beginning on or after January 1, 2016)

IAS 7	Statement of Cash Flows (effective for accounting period beginning on or after January 1, 2017)
IAS 16	Property, Plant and Equipment (effective for accounting periods beginning on or after January 1, 2016)
IAS 19	Employee Benefits (effective for accounting periods beginning on or after January 1, 2016) *
IAS 27	Separate Financial Statements (effective for accounting periods beginning on or after January 1, 2016)
IAS 28	Investments in Associates and Joint Ventures (effective date yet to be published)
IAS 34	Interim Financial Reporting (effective for accounting periods beginning on or after January 1, 2016)
IAS 38	Intangible Assets (effective for accounting periods beginning on or after January 1, 2016)
IAS 39	Financial Instruments: Recognition and Measurement (effective from accounting periods beginning on or after January 1, 2018)
IAS 41	Agriculture (effective for accounting periods beginning on or after January 1, 2016)

4. Basis of Preparation and Accounting Policies

a. Statement of Compliance

These financial statements are prepared in accordance with and comply with the requirements of each applicable International Financial Reporting Standard (IFRS) and each applicable Interpretation of the International Financial Reporting Interpretations Committee (IFRIC). IFRS also includes International Accounting Standards (IAS) and Interpretation of Standing Interpretations Committee (SIC).

b. Measurement Basis

These financial statements have been prepared on historical cost basis.

c. Foreign Currency Translation

An item included in the financial statements is measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in U.A.E. Dirhams, as entity's major transactions took place mainly in that currency and it is a better representative of their operations, hence it is considered to be the entity's functional and presentation currency.

- i. Transactions in foreign currencies are converted into U.A.E. Dirham at the rates ruling when entered into.
- ii. Foreign currency balances are converted into U.A.E. Dirham at the rates of exchange ruling at the reporting date.
- iii. Resultant gain or loss is reflected in the statement of comprehensive income.
- iv. Non-monetary items measured at fair value that are denominated in foreign

currencies are retranslated at the rates prevailing at the date when the fair value was determined.

- v. Non-monetary items that are measured in terms of historical cost in a foreign currency are retranslated at the rates prevailing at the date of the transaction.

The results and financial position of the company that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- i. Assets and liabilities in the statement of financial position presented are translated at the closing rate at the reporting date;
- ii. Incomes and expenses in the statement of comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of the exchange rates at the dates of the transactions, in which case income and expense items are translated at the exchange rates at the dates of the transactions); and
- iii. All resulting exchange differences are recognized in other comprehensive income.

d. Significant Accounting Estimates and Judgments

The preparation of the company's financial statements requires 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 reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

e. Accounting Basis

These Financial Statements, except for the cash flow information are prepared under the accrual basis of accounting. Under the accrual basis of accounting, transactions and events are recognized when they occur (and not as cash or its equivalent are received or paid) and they are recorded in the accounting records and reported in the financial statements of the periods to which they relate.

f. Property, Plant and Equipment

The cost of property, plant and equipment is their purchase cost together with any incidental expenses of acquisition.

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in statement of comprehensive income.

g. Investment in subsidiary

Investment in subsidiary is carried at cost less accumulated impairment losses in the Company's balance sheet. On disposal of investments in subsidiaries, the difference

between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

h. Trade Receivables

Trade receivables are carried at anticipated realizable value. Necessary provision is made for doubtful receivables based on a review of all outstanding amounts at the year end. Bad debts are written off during the year in which they are identified.

i. Provisions

Provisions are recognized in the financial statements when the Company has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

j. Revenue Recognition

Revenue from the sale of traded goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Revenue is recognized when the significant risks and rewards of ownership of the goods have been transferred to the buyer, recovery of consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods.

k. Cash and Cash Equivalents

Cash and Cash Equivalents for the purpose of statement of cash flows comprises of cash in hand, bank current and call accounts and bank fixed deposits free from lien with a maturity date of three months or less from the date of deposit.

l. Impairment

In accordance with International Accounting Standard 36, assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment. Assets that are subject to amortization are reviewed for impairment wherever events or changes in circumstances indicate that carrying amount may not be recoverable. An impairment loss is recognized in the statement of comprehensive income for the amount by which the assets carrying value exceeds its recoverable amount. Recoverable amount is higher of the value in use and the realizable amount of the asset.

	As at 31.03.2016	As at 31.03.2015
5. Investments		
Investment in 100% Subsidiary – (Eida International DMCC) (50 shares of AED 1,000/- each)	50,000	50,000
	<u>50,000</u>	<u>50,000</u>
6. Cash and Bank Balances		
Cash on Hand	0	0
Balances with Banks in:		
Current Accounts	305,379	319,227
	<u>305,379</u>	<u>319,227</u>

	As at 31.03.2016	As at 31.03.2015
7. Deposits, Prepayments and Advances		
Deposits	10,000	10,000
Prepayments	16,944	29,389
	<u>26,944</u>	<u>39,389</u>
	=====	=====
8. Other Receivables		
Other Receivable	1,023,650	50,650
	<u>1,023,650</u>	<u>50,650</u>
	=====	=====
9. Other Payables		
Other payable	334,971	120,397
	<u>334,971</u>	<u>120,397</u>
	=====	=====
	01.04.2015	29.09.2014
	To	To
	31.03.2016	31.03.2015
10. Other Administrative Expenses		
Legal and Professional fees	36,000	25,000
Bank charges	5,477	1,767
License fees	15,012	7,506
Other Expenses	17,850	188
	<u>68,339</u>	<u>34,461</u>
	=====	=====
11. Financial Instruments		

In accordance with the International Accounting Standard 32 read with International Financial Reporting Standard 7 regarding Financial Instruments the following disclosures are made:

Financial Instruments means financial assets, financial liabilities and equity instruments.

Financial assets of the company are balance with banks, deposits, advances and other receivables.

Financial liabilities are other payables and accruals.

a. Fair Values

The fair values of the company's financial assets and financial liabilities approximate to their carrying values.

b. Credit Risk, Interest Rate Risk and Exchange Rate Risk Exposure

i. Credit Risk

Financial assets which potentially expose the company to credit risk, comprises mainly of trade receivables, deposit and bank current accounts.



- a. The company's bank account is placed with high credit quality financial institutions.
- b. Deposits are kept with Government departments and are refundable in normal course of business.

ii. Interest Rate Risk

There is no interest rate risk.

iii. Exchange Rate Risk

There is no exchange rate risk as substantially all the transactions are denominated in U.A.E. Dirham or U.S. Dollars to which the U.A.E. Dirham is fixed.

12. Financial Risk Management

i. Financial Risk Factors

The company has exposure to the following risks from its use of financial instruments:

Liquidity risk
Market risk
Operational Risk

i. Liquidity Risk

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The company ensures that it has sufficient cash on demand to meet expected operational expenses including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. The company has commitment from its shareholders of a continuous support in terms of cash flow management.

ii. Market Risk

Market risk is the risk that changes market prices which will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

iii. Operational Risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the company's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behavior.

The company's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the company's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

II. Capital Risk Management

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. The director's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

13. Significant Events Occurring after the Reporting Date

There were no significant events occurring after the reporting date, which require disclosure in the financial statements.

14. Related Party Transactions

The company in the normal course of business enters into transactions with other business enterprises that fall within the definition of related party contained in the International Accounting Standard No. 24.

Related parties comprise of companies and entities under common ownership, common management and control, their Partners/ Directors and key management personnel as well as relatives of the shareholders.

The company may receive funds from related party as and when required as working capital facilities.

The summary of transactions entered into during the year with related parties as at March 31, 2016 are as under:

	As at 31.03.2016	As at 31.03.2015
1. Parent Company – Claris Lifesciences Limited		
Loan received	334,971	120,397
Balance payable	<u>334,971</u>	<u>120,397</u>
	=====	=====
	As at	As at
	31.03.2016	31.03.2015
2. Related Company – Elda International DMCC		
Amount given to Subsidiary Company	1,023,650	50,650
Balance receivable	<u>1,023,650</u>	<u>50,650</u>
	=====	=====

15. Comparative Figures

Previous year's figures have been regrouped or rearranged wherever necessary so as to confirm to the current year's presentation.

16. In the opinion of the management, all the assets as shown in the financial statements are existing and realizable at the amount shown against them and there are no liabilities against the company, contingent or otherwise, not included in the above financial statements.

CLARIS MIDDLE EAST FZ - LLC
Dubai - United Arab Emirates

Other Information

Year Ended: March 31, 2016

All figures are expressed in U.A.E. Dirhams

Financial Information

• **Significant Ratios:**

	As At 31.03.2016	As At 31.03.2015
Current Ratio (Times)	3.82	2.91
Debt Equity Ratio (Times)	0.34	0.44

Non-Financial Information

• **Accounting Software**

The Company is using Tally ERP Accounting Software to record financial transactions.

General Information

• **Names of bankers**

1. **Citi Bank**
Dubai, U.A.E.

