INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLER OF

ELDA INTERNATIONAL DMCC
Jewellery & Gemplex 3, DUBAI – U.A.E.

We have audited the accompanying financial statements of **ELDA INTERNATIONAL DMCC, DUBAI, U.A.E** which comprise the statement of financial position as at March 31, 2015, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the period ended and a summary of significant accounting policies and other explanatory notes as set out on pages 4 to 17.

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 opinion.

(Independent Auditor's Report continued on next page...)

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Independent Auditor's Report on ELDA INTERNATIONAL DMCC Continued...

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the company as of March 31, 2015 and of its financial performance and its cash flows for the period 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 Directors' 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 period, there were no contraventions of implementing Regulation no. 1/03 issued by the Dubai Multi Commodities Centre Authority during the period under audit, which might have a material effect on the financial position of the company or on the results of its operations for the period ended March 31, 2015.

N R Doshi & Partners

Public Accountants

Dubai, United Arab Emirates

Dated: April 28, 2015

N.R. Doshi & Partners - Public Accountants
P.O. Box: 13742
DUBAI - U.A.E.

ELDA INTERNATIONAL DMCC
Jewellery & Gemplex 3, DUBAI – U.A.E.

Statement of Financial Position

Period Ended: March 31, 2015

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

	NOTE	As at 31.03.2015
Assets		
Intangible Assets (Net)	4	2,137,421
Total Non Current Assets	(A)	2,137,421
Current Assets		
Cash and Bank Balances	5	49,400
Deposits, Prepayments and Advances	6	25,070
Total Current Assets	(B)	74,470
TOTAL ASSETS	(A+B)	2,211,891
EQUITY AND LIABILITIES		
Shareholder's Equity		
Share capital Account		50,000
Accumulated losses		(81,118)
Share holder's loan Account		50,650
Total Equity	(C)	19,532
Current Liabilities		
Other Payables	7	2,162,369
Provisions and Accruals	8	29,990
Total Current Liabilities	(D)	2,192,359
TOTAL EQUITY AND LIABILITIES	(C+D)	2,211,891

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. These financial statements on pages 4 to 17 were approved on April 28, 2015 and signed by

Nirav

Mr. Nirav Vinodchandra Mehta
Director

Independent Auditor's Report Pages 2 and 3

P.O. Box: 13742
DUBAI - U.A.E.
Public Accountants

ELDA INTERNATIONAL DMCC
Jewellery & Gemplex 3, DUBAI – U.A.E.

Statement of Comprehensive Income

Period Ended: March 31, 2015

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

	NOTE	23.11.2014 To 31.03.2015
Sales		NIL
Cost of Sales		NIL
Profit		**NIL**
Expenses		
General Administrative Expenses	9	58,098
Preliminary Expenses written off		23,020
Operational Expenses		**(81,118)**
Net loss from ordinary activities taken to Accumulated losses		**(81,118)**

These financial statements on pages 4 to 17 were approved on April 28, 2015 and signed by

Nirav

Mr. Nirav Vinodchandra Mehta
Director

Independent Auditor's Report Pages 2 and 3

P.O. Box 13742 DUBAI - U.A.E.

ELDA INTERNATIONAL DMCC
Jewellery & Gemplex 3, DUBAI – U.A.E.

Statement of Changes in Equity

Period Ended: March 31, 2015

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

	Shareholder Account	Accumulated Losses	Shareholder Loan Account	Total
Funds Introduced	50,000	0	50,650	100,650
Transfer from Statement of Comprehensive Income	0	(81,118)	0	(81,118)
Balance as at 31.03.2015	**50,000**	**(81,118)**	**50,650**	**19,532**

P.O. Box: 13742
DUBAI - U.A.E.

ELDA INTERNATIONAL DMCC
Jewellery & Gemplex 3, DUBAI – U.A.E.

Statement of Cash Flows

Period Ended: March 31, 2015

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

	NOTES	23.11.2014 To 31.03.2015 (4 months)
I. CASH FLOW FROM OPERATING ACTIVITIES		
Net Loss for the period		**(81,118)**
Operating Loss before changes in Operating assets and liabilities		**(81,118)**
(Increase) in Deposits, Prepayments, and Advances		**(25,070)**
Increase in Other Payables		**2,162,369**
Increase in Provisions and Accruals		**29,990**
Net Cash Flow (Used in) Operating Activities		**2,086,171**
II. CASH FLOW FROM INVESTING ACTIVITIES		
(Increase) in Intangible Assets		**(2,137,421)**
Net Cash Flow (Used in) Investing Activities		**(2,137,421)**
III. CASH FLOW FROM FINANCING ACTIVITIES		
Share Capital introduced by the Shareholder		**50,000**
Loan from Share holders		**50,650**
Net Cash Flow from Financing Activities		**100,650**
Increase in Cash and Cash Equivalents	**(I + II + III)**	**49,400**
Cash and Cash Equivalents as at 23.11.2014	**(Note–6, 4j)**	**NIL**
Cash and Cash Equivalents as at 31.03.2015	**(Note–6, 4j)**	**49,400**

<u>Notes to Financial Statements</u>

Period Ended: March 31, 2015

1. Legal Status, Business Activities and Management

i. Legal Status

ELDA INTERNATIONAL DMCC a wholly owned subsidiary of Claris Middle East FZ LLC (Dubai) registered as a Free Zone Company with Limited Liability pursuant to Dubai Multi Commodities Centre Authority 2002 issued under Law No. 4 of 2001 of Emirate of Dubai.

Dubai Multi Commodities Centre Authority, Dubai, U.A.E. has issued the Certificate of Registration No. is DMCC22115 dated November 23, 2014 and Service license No. DMCC - 091697 dated December 8, 2014.

The registered office of the company is located at Unit No: 30-01-00-2280, Jewellery & Gemplex 3, Plot No: DMCC-PH2-J&GPlexS, Jewellery & Gemplex, Dubai, U.A.E.

As per Memorandum of Association of the company, the followings are the shareholders contributing to share capital of the Company:

Sr. No.	Name of Shareholders	No. of Shares	% of Shares
1.	Claris Middle East FZ LLC – Dubai	50	100
	Total	**50**	**100**

The Share Capital of the Company is AED 50,000/-, divided into 50 shares of AED 1000/-each.

ii. Business Activities

As per Service License, the activity of the company is Intellectual Property Rights Management.

iii. Management

As per the Board resolution passed by the parent company in its board meeting held on October 26, 2014, Mr. Nirav Vinodchandra Mehta is appointed as Manager of this company.

1. **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

P.O. Box: 13742
DUBAI - U.A.E.

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

2. 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 2	Share Based Payment (effective for accounting periods beginning on or after July 1, 2014)
IFRS 3	Business Combinations (effective for accounting periods beginning on or after July 1, 2014)
IFRS 5	Non Current Assets Held for Sale and Discontinued Operations (effective for accounting periods beginning on or after January 1, 2016)
IFRS 7	Financial Instruments – Disclosure (effective for accounting periods beginning on or after January 1, 2018)
IFRS 8	Operating Segments (effective for accounting periods beginning on or after July 1, 2014)
IFRS 9	Financial Instruments (effective for accounting periods beginning on or after January 1, 2018)
IFRS 10	Consolidated Financial Statements (effective for accounting periods beginning on or after January 1, 2016)
IFRS 11	Joint Arrangements (effective for accounting periods beginning on or after January 1, 2016)
IFRS 12	Disclosure of Interest In Other Entities (effective for accounting periods beginning on or after January 1, 2014)
IFRS 13	Fair Value Measurement (effective for accounting periods beginning on or after January 1, 2016)
IFRS 14	Regulatory Deferral Accounts (effective for accounting periods beginning on or after January 1, 2016)
IFRS 15	Revenue from Contracts with Customers (effective for accounting periods beginning on or after January 1, 2017)
IAS 1	Presentation of Financial Statements (effective for accounting periods beginning on or after January 1, 2016)
IAS 16	Property, Plant and Equipment (effective for accounting periods beginning on or after January 1, 2016)

P.O. Box: 13742
DUBAI - U.A.E.

IAS 19	Employee Benefits (effective for accounting periods beginning on or after January 1, 2016)
IAS 24	Related Party Disclosures (effective for accounting periods beginning on or after July 1, 2014)
IAS 27	Separate Financial Statements (effective for accounting periods beginning on or after January 1, 2016)
IAS 32	Financial Instruments: Presentation (effective for accounting periods beginning on or after January 1, 2014)
IAS 36	Impairment of Assets (effective for accounting periods beginning on or after January 1, 2014)
IAS 38	Intangible Assets (effective for accounting periods beginning on or after January 1, 2016)
IAS 39	Financial Instruments: Recognition and Measurement (effective for accounting periods beginning on or after January 1, 2018)
IAS 40	Investment Property (effective for accounting periods beginning on or after July 1, 2014)
IAS 41	Agriculture (effective for accounting periods beginning on or after January 1, 2016)

3. Basis of Preparation and Accounting Policies

a. Statement of Compliance

The following accounting policies have been consistently applied by the management in the preparation of the financial statements. 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. Property, Plant and Equipment

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

Depreciation on property, plant and equipment has been computed on straight-line method at the annual rates estimated to write off the cost of the assets over its expected useful lives.

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.

d. Trade Receivables

Trade receivables are carried at anticipated realizable value. A 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.

e. Impairment

The carrying amounts of the company's assets are reviewed at each statement of financial position date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognized in the statement of comprehensive income.

f. Provisions

A provision is recognized in the statement of financial position when the company has a 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.

Employee entitlements to Employees' end of Service benefits are recognized when they accrue to employees. A provision is made for the estimated liability for Employees' end of Service benefits as a result of services rendered by employees up to the statement of financial position date ,as per the U.A.E. Federal Law No. 8 of 1980 and subsequent amendments regulating employment relationship. Provision made for Employees' end of Service benefits is disclosed as non-current liabilities.

g. Foreign Currency Translations

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

P.O. Box: 13742
DUBAI - U.A.E.

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

iii. 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

iv. All resulting exchange differences are recognized in statement of comprehensive income.

h. 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.

i. Accounting Basis

These financial statements, except for the cash flow information, employee entitlements to annual leave and air passage to their home country, 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.

j. Revenue Recognition

Revenue is recognized when the significant risks and rewards of ownership of the goods have been transferred to the buyer, amount of revenue can be measured reliably, recovery of consideration is probable, the associated costs and possible return of goods can be estimated reliably.

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. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses.

The useful lives of intangible assets are assessed to be either finite or indefinite.
Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial period end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of comprehensive income in the expense category consistent with the function of the intangible asset.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash generating unit level. Such intangibles are not amortized. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of comprehensive income when the asset is derecognized.

	As at 31.03.2015
4. Intangible Assets	
Intellectual Property Rights	**2,162,368**
Less: Amortization costs	**(24,947)**
	2,137,421

Note: i. Above amount represents the value of money paid for acquisition of Intellectual property Rights in India. In addition, the recoverable amount of the same is higher than its carrying value; hence no impairment has been made.

5. Cash and Bank Balances	
Cash in hand	**0**
Balances with Bank in:	
Current Account	**49,400**
	49,400
6. Deposits, Prepayments and Advances	
Prepaid Rent	**11,740**
Prepaid License fees	**13,330**
	25,070
7. Other Payables	
Intangible Assets acquisition	**2,162,369**
	2,162,369

Notes: Entire Amount of Other payables is towards acquiring of Intellectual Property Rights - Intangible Assets and the advances received from parent company.

	As at 31.03.2015
8. Provisions and Accruals	
Expenses payable	**29,990**
	29,990

9. General Administrative Expenses

Rent	**5,870**
Other Administrative expenses	**57,864**
	63,734

10. 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 period with related parties as at March 31, 2015 are as under:

	As at 31.03.2015
• **Claris Middle East FZ LLC**	
Other Payables	**50,650**

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.

Financial assets of the company are balances with banks and deposits.

Financial liabilities are trade payables and accruals.

A. Fair Values

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

B. Financial Risk Management Objectives

a. Financial Risk Factors

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

Market risk
Credit risk
Liquidity risk

a. 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.

i. Exchange Rate Risk

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

ii. Interest Rate Risk

There is no interest rate risk.

b. Credit Risk

Financial assets, which potentially expose the company to concentration of credit risk, comprise principally of balances in bank accounts and deposits.

i. The company's bank balances are placed with high credit quality financial institutions.

ii. Deposits are held with government authorities and are refundable.

iii. Trade payable's Concentration (Voluntary Disclosure)

Entire trade payables outstanding as at March 31, 2015 are concentrated in India.

c. 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

P.O. Box: 13742
DUBAI - U.A.E.

as natural disasters. The company has a commitment from its shareholders of a continuous support in terms of cash flow management.

b. 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.

12. Significant Events Occurring after the Reporting Date

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

13. Previous Year's Figures

This being the first period of operation, hence previous period's figures are not there.

14. 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.

P.O. Box: 13742
DUBAI - U.A.E.

ELDA INTERNATIONAL DMCC
Jewellery & Gemplex 3, DUBAI – U.A.E.

Other Information

As at March 31, 2015

Financial Information

Significant Ratios

Particulars	**As at 31.03.2015**
Current Ratio (Times)	**0.01**
Debt Equity Ratio (Times)	**0.02**

General Information

- **Name of Banker**

Emirates NBD Bank
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