

Sabero Australia Pty Ltd

ABN 33 087 313 059

Financial Report for the financial year ended 31 March 2015

DIRECTORS' REPORT

Your directors present their report on the company for the financial year ended 31 March 2015.

Directors

The names of the directors in office at any time during or since the end of the year are:

Mr Gary Peroy

Sankara Subramanian Subramanian

Veerabhadram Garimella

Review of Operations

The loss of the company for the financial year after providing for income tax amounted to \$16,681.

A review of the operations of the company during the financial year and the results of those operations show no changes in market demand and competition.

Significant Changes in the State of Affairs

No significant changes in the company's state of affairs occurred during the financial year.

Principal Activities

The principal activities of the company during the financial year was as a representative in respect of the importation of agricultural chemicals into Australia.

No significant change in the nature of these activities occurred during the year.

Events Subsequent to the End of the Reporting Period

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

Likely Developments and Expected Results of Operations

Likely developments in the operations of the company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the company.

Notwithstanding the deficiency of net assets on the part of the Company, the financial report has been prepared as a going concern basis as the directors are confident of the ongoing financial support of the Company by the parent entity.

Environmental Regulation

The Company's operations, as a representative of the parent entity with respect to the importation of chemicals into Australia by the parent entity, are required by the Agricultural and Veterinary Chemicals Act 1994 of the Commonwealth of Australia.

Dividends

No dividends were paid or declared since the start of the financial year.

Options

No options over issued shares or interests in the company were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

Indemnification of Officers

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the company.

Proceedings on Behalf of the Company

No person has applied for leave of a court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

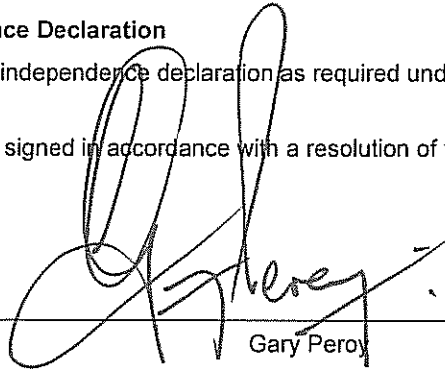
DIRECTORS' REPORT

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under s 307C of the *Corporations Act 2001* is set out on page 4.

This directors' report is signed in accordance with a resolution of the Board of Directors:

Director



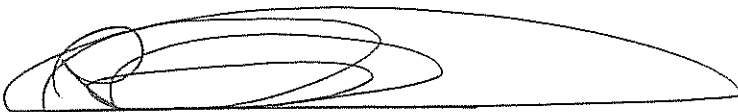
Gary Peroy

Dated this 5th day of June 2015

AUDITOR'S INDEPENDENCE DECLARATION UNDER S 307C OF THE
CORPORATIONS ACT 2001

I declare that, to the best of my knowledge and belief, during the year ended 31 March 2015 there have been:

- i. no contraventions of the auditor's independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.



Name of Firm Borellas Chartered Accountants

Name of Partner Terry Borella

Address Level 13, 167 Macquarie Street, Sydney, NSW 2000

Date 5 June 2015

Sabero Australia Pty Ltd

ABN 33 087 313 059

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2015

	Note	2015	2014
		\$	\$
Profit (Loss) for the year		(16,681)	(25,455)
Other comprehensive income:			
Net loss on revaluation of land and buildings		-	-
Net gain on revaluation of financial assets		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		(16,681)	(25,455)
Total comprehensive income attributable to:			
Members of the parent entity		(16,681)	(25,455)

The accompanying notes form part of these financial statements.

Sabero Australia Pty Ltd

ABN 33 087 313 059

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2015

	Note	2015 \$	2014 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	59	4,113
Other current assets		-	-
TOTAL CURRENT ASSETS		59	4,113
NON-CURRENT ASSETS			
Investments	4	1,397	1,397
TOTAL NON-CURRENT ASSETS		1,397	1,397
TOTAL ASSETS		1,456	5,510
LIABILITIES			
CURRENT LIABILITIES			
Other payables	5	7,929	14,902
Borrowings	6	24,384	24,384
TOTAL CURRENT LIABILITIES		32,313	39,286
NON-CURRENT LIABILITIES			
Borrowings	6	-	-
TOTAL NON-CURRENT LIABILITIES		-	-
TOTAL LIABILITIES		32,313	39,286
NET ASSETS		(30,857)	(33,776)
EQUITY			
Issued capital	7	77,658	58,058
Reserves		-	-
Retained earnings/(Deficiency)		(108,515)	(91,834)
TOTAL DEFICIENCY		(30,857)	(33,776)

The accompanying notes form part of these financial statements.

Sabero Australia Pty Ltd

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STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2015

Note	Issued Capital (Ordinary Shares)	Retained Earnings / (Deficiency)	Revaluation Surplus	Financial Assets Reserve	General Reserve	Total
	\$	\$	\$	\$	\$	\$
Balance at 1 April 2013	35,560	(66,379)	-	-	-	(30,819)
Comprehensive income						
Profit (loss) for the year	-	(25,455)	-	-	-	(25,455)
Other comprehensive income for the year	-	-	-	-	-	-
Total comprehensive income for the year attributable to members of the entity	-	(25,455)	-	-	-	(25,455)
Issuance of additional equity	22,498	-	-	-	-	22,498
Balance at 31 March 2014	58,058	(91,834)	-	-	-	(33,776)
Comprehensive income						
Profit (loss) for the year	-	(16,681)	-	-	-	(16,681)
Other comprehensive income (loss) for the year	-	-	-	-	-	-
Total comprehensive income (loss) for the year attributable to members of the entity	-	(16,681)	-	-	-	(16,681)
Issuance of additional equity	19,600	-	-	-	-	19,600
Balance at 31 March 2015	77,658	(108,515)	-	-	-	(30,857)

The accompanying notes form part of these financial statements.

Sabero Australia Pty Ltd

ABN 33 087 313 059

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2015

	Note	2015 \$	2014 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		-	-
Payments to suppliers and employees		(24,054)	(24,188)
Dividends received		-	-
Interest received		-	-
Finance costs		-	-
Income tax paid		-	-
Net cash provided by operating activities	7	(24,054)	(24,188)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment			-
Proceeds from sale of investments			-
Payment for property, plant and equipment			-
Payment for investments			-
Amounts from related parties – amounts granted		400	2
Net cash used in investing activities		400	2
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issuing shares		19,600	22,498
Repayment of borrowings		-	-
Dividends paid:		-	-
Net cash provided by (used in) financing activities		19,600	22,498
Net (decrease) increase in cash held		(4,054)	(1,688)
Cash at beginning of financial year		4,113	5,801
Cash at end of financial year	3	59	4,113

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Sabero Australia Pty Ltd is a company limited by shares, incorporated and domiciled in Australia.

Basis of Preparation

The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users dependent on general purpose financial statements. The financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the *Corporations Act 2001*. The company is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the *Corporations Act 2001* and the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The amounts presented in the financial statements have been rounded to the nearest dollar.

The financial statements were authorised for issue on 5 June 2015 by the directors of the company.

Accounting Policies

a. Income Tax

The income tax expense (income) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to profit or loss is the tax payable on taxable income. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of profit or loss when the tax relates to items that are credited or charged directly to equity.

Except for business combinations, no deferred income tax is recognised from the initial recognition of an asset or liability where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where: (a) a legally enforceable right of set-off exists; and (b) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

b. Cash and Cash Equivalents

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

c. Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

All dividends received shall be recognised as revenue when the right to receive the dividend has been established.

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at the end of the reporting period and where outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

Investment property revenue is recognised on a straight-line basis over the period of the lease term so as to reflect a constant periodic rate of return on the net investment.

All revenue is stated net of the amount of goods and services tax (GST).

d. Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the entity that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

e. Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Where the company has retrospectively applied an accounting policy, made a retrospective restatement or reclassified items in its financial statements, an additional statement of financial position as at the beginning of the earliest comparative period will be disclosed.

f. Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

Key estimates

(i) Impairment – general

The company assesses impairment at the end of each reporting period by evaluating the conditions and events specific to the company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

g. New Accounting Standards for Application in Future Periods

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The AASB has issued the following Accounting Standard which is mandatorily applicable for future reporting periods and is relevant to the company. The company has decided not to early adopt this Accounting Standard. The company's assessment of this Accounting Standard is set out below:

- AASB 2011–9: Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income [AASB 1, 5, 7, 101, 112, 120, 121, 132, 133, 134, 1039 & 1049] (applicable for annual reporting periods commencing on or after 1 July 2013).

The main change arising from this Standard is the requirement for entities to group items presented in other comprehensive income (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently.

This Standard affects presentation only and is therefore not expected to significantly impact the company.

NOTE 2: INCOME TAX EXPENSE

	Note	2015	2014
		\$	\$
Income tax expense		-	-

NOTE 3: CASH AND CASH EQUIVALENTS

Cash on hand	-	-
Cash at bank	59	4,113
	<u>59</u>	<u>4,113</u>

Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

Cash and cash equivalents	59	4,113
Bank overdrafts	-	-
	<u>59</u>	<u>4,113</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

NOTE 4: INVESTMENTS

	2015	2014
Note	\$	\$
4,960 Shares in Sabero Argentina @cost	1,396	1,396
1 Share in Sabero Organics Mexico S.A de C.V. @cost	1	1
	<u>1,397</u>	<u>1,397</u>

NOTE 5: OTHER PAYABLES

CURRENT

Contribution received pending allotment of shares to Sabero Organics Gujarat Limited	412	12
Unpaid share units held in Sabero Argentina	1,396	1,396
Sundry payables and accrued expenses	6,121	13,494
	<u>7,929</u>	<u>14,902</u>

NOTE 6: BORROWINGS

CURRENT

Amount payable to holding company	24,384	24,384
	<u>24,384</u>	<u>24,384</u>

NOTE 7: ISSUED CAPITAL

a. 5,547 (2014: 4,147) fully paid ordinary shares	<u>77,658</u>	<u>58,058</u>
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The company has authorised share capital amounting to ordinary shares of \$14 par value.

Ordinary shares participate in dividends and the proceeds on winding up of the company in proportion to the number of shares held.

At the shareholders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

NOTE 7: CASH FLOW INFORMATION

	2015	2014
	\$	\$
Reconciliation of Cash Flow from Operations with Profit after Income Tax		
Profit (Loss) after income tax	(16,681)	(25,455)
Changes in assets and liabilities:		
– increase in receivables	-	-
– decrease in other assets	-	-
– increase (decrease) in payables	(7,373)	1,267
– increase in provisions	-	-
– increase/(decrease) in income tax payable	-	-
– (decrease)/increase in deferred taxes payable	-	-
– (increase)/decrease in deferred taxes receivable	-	-
Net cash used in operating activities	<u>(24,054)</u>	<u>(24,188)</u>

NOTE 8: COMPANY DETAILS

The registered office of the company is:

Suite 2 Level 22
66 Goulburn Street
Sydney NSW 2000

The principal place of business is:

Suite 2 Level 22
66 Goulburn Street
Sydney NSW 2000

Sabero Australia Pty Ltd

ABN 33 087 313 059

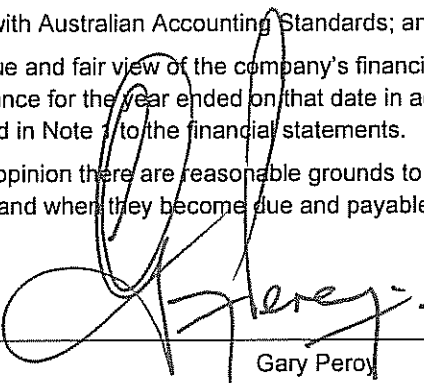
DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Sabero Australia Pty Ltd, the directors have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 5 to 14 in accordance with the *Corporations Act 2001* and:
 - a. comply with Australian Accounting Standards; and
 - b. give a true and fair view of the company's financial position as at 31 March 2015 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Director



Gary Peroy

Dated this

5th

day of

June

2015

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
SABERO AUSTRALIA PTY LTD

I have audited the accompanying financial report, being a special purpose financial report of Sabero Australia Pty Ltd (the company), which comprises the statement of financial position as at 31 March 2015, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report and have determined that the accounting policies described in Note 1 of the financial report are appropriate to meet the requirements of the *Corporations Act 2001* and to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. I have conducted my audit in accordance with Australian Auditing Standards. Those standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report that gives a true and fair view 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 the directors, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

In conducting my audit, I have complied with the independence requirements of the *Corporations Act 2001*. I confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Sabero Australia Pty Ltd, would be in the same terms if given to the directors as at the time of the auditor's report.

Opinion

In my opinion the financial report of Sabero Australia Pty Ltd is in accordance with the *Corporations Act 2001*, including:

- a. giving a true and fair view of the company's financial position as at 31 March 2015 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1; and
- b. complying with Australian Accounting Standards to the extent described in Note 1 and complying with the *Corporations Regulations 2001*.

Basis of Accounting

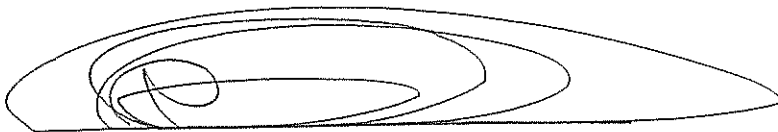
Without modifying my opinion, I draw attention to Note 1 of the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *Corporations Act 2001*. As a result, the financial report may not be suitable for another purpose.

Sabero Australia Pty Ltd

ABN 33 087 313 059

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
SABERO AUSTRALIA PTY LTD

Name of Firm: Borellas Chartered Accountants

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke, enclosed within a large, irregular oval shape.

Name of Partner: Terry Borella

Address: Level 13, 167 Macquarie Street, Sydney NSW 2000

Dated this 5th day of June 2015