

**AUDITORS' REPORT**

To

M/s. SABERO EUROPE B.V.

1. We have audited the attached Balance Sheet of SABERO EUROPE B.V. as at 31 March 2018, and also the statement of profit and loss of the Company for the year ended 31 March, 2018 both annexed thereto. The Company is having its registered office at MARKERWAARDWEG 8/ PO BOX 23 1606 ZG VENHUIZEN, NETHERLANDS. These Financial Statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An Audit also includes assessing the accounting principles used and significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. This report is furnished solely for the purpose of inclusion of financial statement of Sabero Europe B.V. in the consolidated financial statement of Coromandel International Limited.
4. Further we report that:
  - a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. The Balance sheet and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account;



Head Office :  
# 607, Raghava Ratna Towers,  
Chirag Ali Lane, Abids,  
Hyderabad-500 001.  
Telangana.  
☎ : 040-2320 1357

Branch :  
#8-17-93, Ismail Street,  
Wynchipet,  
Vijayawada-520 001.  
Andhra Pradesh.  
☎ : 9885464521

Branch :  
#20-15-38, Sambasivaraopeta,  
1st Cross Street,  
Rajamahendravaram-533102,  
Andhra Pradesh.  
☎ : 70130 97088

d. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give a true and fair view in conformity with the accounting principles generally accepted in India:

- i. In the case of the Balance Sheet, of the state of affairs of the Company as at 31 March, 2018; and
- ii. In case of the Statement of Profit and Loss Account, of the loss for the year ended 31 March, 2018

Place: Hyderabad

Date: 17<sup>th</sup> Apr, 2018



For GMK Associates

Chartered Accountants

Firm Regn No. 006945S

(M S Prakasa Rao)

Partner

Membership No. 027278



**SABERO EUROPE B.V.**  
**BALANCE SHEET AS AT 31 MARCH, 2018**

	In EURO As at 31 March 2018	In EURO As at 31 March 2017
<b>I. EQUITY AND LIABILITIES</b>		
<b>1. Shareholders' funds</b>		
(a) Share capital	27,680	27,680
(b) Reserves and surplus	(36,020)	(29,983)
	<u>(8,340)</u>	<u>(2,303)</u>
<b>2. Non-current liabilities</b>		
(a) Long-term borrowings		
(b) Deferred tax liabilities (net)		
(c) Other long-term liabilities		
(d) Long-term provisions		
	<u>-</u>	<u>-</u>
<b>3. Current liabilities</b>		
(a) Short-term borrowings		
(b) Trade payables		
(c) Other current liabilities	8,340	2,628
(d) Short-term provisions		
	<u>8,340</u>	<u>2,628</u>
<b>TOTAL</b>	<u>-</u>	<u>325</u>
<b>II. ASSETS</b>		
<b>1. Non-current assets</b>		
(a) Fixed assets (net)		
(i) Tangible assets		
(ii) Intangible assets		
(iii) Capital work-in-progress		
(iv) Intangible assets under development		
(b) Non-current investments		
(c) Long-term loans and advances		
	<u>-</u>	<u>-</u>
<b>2. Current assets</b>		
(a) Current investments		
(b) Inventories		
(c) Trade receivables		
(d) Cash and bank balances		325
(e) Short-term loans and advances		
(f) Other current assets		
	<u>-</u>	<u>325</u>
<b>TOTAL</b>	<u>-</u>	<u>325</u>

The Accompanying notes are an integral part of the Financial Statements  
As per our report of even date attached hereto

For GMK Associates  
Chartered Accountants  
Firm Regn. No. 006945S

*M S Prakasa Rao*

M S Prakasa Rao  
Partner  
Membership No. 027278




Place: Hyderabad  
Date: 17-04-2018

**SABERO EUROPE B.V.**  
**Statement of Profit and Loss for the year ended 31 March, 2018**

	In EURO As at 31 March 2018	In EURO As at 31 March 2017
<b>Revenue</b>		
Revenue from operations (gross) - commission income		
Less: Excise duty		
Revenue from operations (net)	-	-
Other income	-	-
<b>Expenses</b>		
Cost of raw materials consumed		
Purchase of stock-in-trade		
Changes in inventories		
Employee benefits expense	-	-
Finance costs	-	-
Depreciation and amortization expense		
Other expenses	6,036	80
	6,036	80
<b>Profit before tax</b>	(6,036)	(80)
Tax expense:		
Current tax		
Deferred tax (credit)/ expense		
<b>Profit after tax</b>	(6,036)	(80)

The Accompanying notes are an integral part of the Financial Statements  
As per our report of even date attached hereto

For GMK Associates  
Chartered Accountants  
Firm Regn. No. 006945S

  
M S Prakasa Rao  
Partner  
Membership No. 027278



Place: Hyderabad  
Date: 17-04-2018

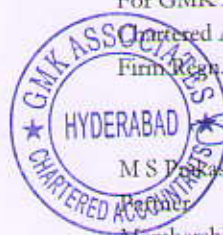
**SABERO EUROPE B.V.**

Notes forming part of the financial statements for the year ended 31 March, 2018

	In EURO	In EURO
	As at 31 March 2018	As at 31 March 2017
<b>Share capital</b>		
Issued, subscribed and fully paid up	27,680	27,680
<b>Surplus in the statement of profit and loss</b>		
Per last Balance Sheet	(29,984)	(29,903)
Add: Profit for the year	(6,036)	(80)
	<u>(36,020)</u>	<u>(29,983)</u>
<b>Foreign currency translation reserve</b>		
	<u>(36,020)</u>	<u>(29,983)</u>
<b>Other current liabilities</b>		
Current maturities of long-term debt		
Interest accrued but not due on borrowings		
Interest accrued and due on borrowings		
Income received in advance		
Share application money received		
Statutory liabilities		
Other liabilities	8,340	2,628
	<u>8,340</u>	<u>2,628</u>
<b>Cash and bank balances</b>		
<b>Cash and cash equivalents</b>		
Balances with banks:		
On Current accounts	-	325
On Deposit accounts	-	325
	<u>-</u>	<u>325</u>
<b>Other expenses</b>		
Bank Service Charges	-	80
Miscellaneous expenses	6,036	-
	<u>6,036</u>	<u>80</u>

As per our report of even date attached hereto

For GMK Associates  
Chartered Accountants  
Firm Regn. No. 006945S



M S Prakash Rao  
Member  
Membership No. 027278

Place: Hyderabad  
Date: 17-04-2018