

**INDEPENDENT AUDITORS' REPORT  
TO THE SHAREHOLDERS OF  
SUN PHARMA DE MEXICO S.A. DE C.V.**

We have audited the accompanying Balance Sheet of **Sun Pharma de Mexico S.A. de C.V.** ("the Company") as at December 31, 2014, the Statement of Profit and Loss, the Statement of Changes in Stockholders' Equity and the Cash Flow Statement of the Company for the year ended on that date, all annexed thereto. 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.

We conducted our audit in accordance with auditing standards generally accepted in Mexico. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement and are prepared in conformity with Mexican Financial Reporting Standards. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the financial reporting standards 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.

In our opinion, the financial statements referred to above give a True and Fair view in conformity with Mexican Financial Reporting Standards:

- i. in the case of Balance Sheet, of the state of affairs of the Company as at December 31, 2014;
- ii. in the case of Statement of Profit and Loss, of the profit of the Company for the year ended on that date;
- iii. in the case of Cash Flow Statement, of the cash flows of the Company for the year ended on that date; and
- iv. in the case of Statement of Changes in Stockholders' Equity, of the changes in stockholders' equity of the Company for the year ended on that date.

**For and on behalf of Garcia Landa Becerril & Asociados S.C.**

**C.P.C. Jorge Marcos Garcia Landa  
Independent Auditors**

**Mexico City, March 25, 2015**

**Registration Numbers with Colegio de Contadores Publicos de Mexico AC:**

- 1) Garcia Landa Becerril & Asociados S.C. - 06882**
- 2) C.P.C. Jorge Marcos Garcia Landa - 03325**

**STATUTORY AUDITORS' REPORT  
TO THE SHAREHOLDERS OF  
SUN PHARMA DE MEXICO S.A. DE C.V.**

In my capacity as Statutory Auditor, and in compliance with the provisions of Article 166 of the Mexican General Corporations Law and the by-laws of **Sun Pharma de Mexico S.A. de C.V.** ("the Company"), I am pleased to submit my Audit Report on the veracity, sufficiency and reasonability of the Financial Statements of the Company for the year ended December 31, 2014, presented to you by the Board of Directors of the Company.

I have attended the Shareholders' and the Board of Directors' meetings to which I was summoned and I have obtained from the board members and the Company's officers all the information on the Company's operations, documentation and records, that I considered necessary for examination. I conducted my audit in accordance with auditing standards generally accepted in Mexico.

In my opinion, the accounting and reporting policies and procedures observed by the Company in the preparation of the financial statements that are being presented to the shareholders are adequate and sufficient and were applied on a basis consistent with that of the previous year. Therefore, it is also my opinion that the financial statements referred to above give a True and Fair view in conformity with Mexican Financial Reporting Standards:

- i. in the case of Balance Sheet, of the state of affairs of the Company as at December 31, 2014;
- ii. in the case of Statement of Profit and Loss, of the profit of the Company for the year ended on that date;
- iii. in the case of Cash Flow Statement, of the cash flows of the Company for the year ended on that date; and
- iv. in the case of Statement of Changes in Stockholders' Equity, of the changes in stockholders' equity of the Company for the year ended on that date.

**C.P.C.Diana Vazquez Campos  
Statutory Auditor**

**Mexico City, March 25, 2015**

**SUN PHARMA DE MEXICO S.A. DE C.V.**

**BALANCE SHEET AS AT DECEMBER 31 ST, 2014**

|  | <b>As at December 31, 2014</b> |                             | <b>As at December 31, 2013</b> |                             |
|--|--------------------------------|-----------------------------|--------------------------------|-----------------------------|
|  | <b>Mexican Pesos</b>           | <b>Mexican Pesos</b>        | <b>Mexican Pesos</b>           | <b>Mexican Pesos</b>        |
| <b>EQUITY AND LIABILITIES</b>          |                                |                             |                                |                             |
| <b>Shareholders Equity</b>             |                                |                             |                                |                             |
| Capital Stock                          | \$1,010,360                    |                             | \$1,010,360                    |                             |
| Reserves and Surplus                   | <u>\$127,160,210</u>           | <u>\$128,170,570</u>        | <u>\$79,789,502</u>            | \$80,799,862                |
| <b>Share Capital Application Money</b> |                                | <b>\$0</b>                  |                                | \$23,430,259                |
| <b>Non Current Liabilities</b>         |                                |                             |                                |                             |
| Long Term Borrowings                   | \$35,265,288                   |                             | \$41,808,640                   |                             |
| Deferred Tax Liabilities               | <u>\$457,125</u>               | <u>\$35,722,413</u>         | <u>\$1,170,685</u>             | \$42,979,325                |
| <b>Current Liabilities</b>             |                                |                             |                                |                             |
| Trade Payables                         | \$39,670,837                   |                             | \$16,998,135                   |                             |
| Other Current Liabilities              | <u>\$2,246,975</u>             | <u>\$41,917,812</u>         | <u>\$3,184,996</u>             | \$20,183,131                |
| <b>Total</b>                           |                                | <b><u>\$205,810,795</u></b> |                                | <b><u>\$167,392,577</u></b> |
| <b>ASSETS</b>                          |                                |                             |                                |                             |
| <b>Non Current Assets</b>              |                                |                             |                                |                             |
| Fixed Assets                           |                                | \$35,125,722                |                                | \$35,359,480                |
| <b>Current Assets</b>                  |                                |                             |                                |                             |
| Inventories                            | \$44,880,040                   |                             | \$24,084,968                   |                             |
| Trade Receivables                      | \$106,822,364                  |                             | \$77,564,064                   |                             |
| Cash and Cash Equivalents              | \$4,580,016                    |                             | \$11,038,413                   |                             |
| Short Term Loans and Advances          | \$14,210,047                   |                             | \$19,234,046                   |                             |
| Other Current Assets                   | <u>\$192,606</u>               | <u>\$170,685,073</u>        | <u>\$111,606</u>               | \$132,033,097               |
| <b>Total</b>                           |                                | <b><u>\$205,810,795</u></b> |                                | <b><u>\$167,392,577</u></b> |

**See accompanying notes forming part of the Financial Statements**

In terms of my/our report attached.

**C.P.C. Diana Vazquez Campos**  
Statutory Auditor

**Lic. Fernando Salvador Ramos Suarez**  
President

For and on behalf of  
**Garcia Landa Becerril & Asociados S.C.**

**Lic. Vipulkumar Jayantilal Timbadia**  
Legal Representative

**C.P.C. Jorge Marcos Garcia Landa**  
Independent Auditors

**L.C. Marco Antonio Cigarroa Cruz**  
Asst. Manager Accounts

Mexico City, March 25, 2015

**SUN PHARMA DE MEXICO S.A. DE C.V.**

**STATEMENT OF PROFIT AND LOSS FOR YEAR ENDED DECEMBER 31 2014**

|  | <b>Year Ended December 31, 2014</b> |                             | Year Ended December 31, 2013 |                      |
|--|-------------------------------------|-----------------------------|------------------------------|----------------------|
|  | <b>Mexican Pesos</b>                | <b>Mexican Pesos</b>        | Mexican Pesos                | Mexican Pesos        |
| <b>Net Sales</b>   |                                     | <b>\$292,152,212</b>        |                              | \$215,056,070        |
| <b>Other Income</b>  |                                     | <b>\$1,636,937</b>          |                              | \$583,306            |
|  |                                     | <u><b>\$293,789,149</b></u> |                              | <u>\$215,639,376</u> |
| <b>Cost of Materials Consumed</b>  | <b>\$37,554,236</b>                 |                             | \$15,502,490                 |                      |
| <b>Purchase of Stock-in-Trade</b>  | <b>\$31,294,690</b>                 |                             | \$14,989,983                 |                      |
| <b>Changes in Inventories of Finished Goods,<br/>Work-in-Progress and Stock-in-Trade</b> | <b>(\$18,178,707)</b>               | <b>\$50,670,219</b>         | \$1,239,645                  | \$31,732,118         |
|  |                                     | <u><b>\$243,118,930</b></u> |                              | <u>\$183,907,258</u> |
| <b>Operational Expenses</b>  |                                     |                             |                              |                      |
| Personal Expenses  | <b>\$51,547,016</b>                 |                             | \$47,527,093                 |                      |
| Marketing and Sales Expenses   | <b>\$62,831,979</b>                 |                             | \$49,255,430                 |                      |
| Factory, Administration and Other Expenses   | <b>\$48,307,881</b>                 |                             | \$26,462,310                 |                      |
| Depreciation   | <b>\$6,813,185</b>                  | <b>\$169,500,061</b>        | <u>\$6,338,713</u>           | \$129,583,546        |
|  |                                     | <u><b>\$73,618,869</b></u>  |                              | <u>\$54,323,712</u>  |
| <b>Exchange Gain / (Loss) - Net</b>  |                                     | <b>(\$5,103,389)</b>        |                              | (\$385,485)          |
| Financial Expenses   |                                     | <b>\$0</b>                  |                              | \$89,071             |
| <b>Profit Before Tax</b>   |                                     | <b>\$68,515,480</b>         |                              | \$53,849,156         |
| <b>Tax Expenses</b>  |                                     |                             |                              |                      |
| Current Tax  | <b>\$21,858,332</b>                 |                             | \$15,490,765                 |                      |
| Deferred Tax Charges / (Credit)  | <b>(\$713,560)</b>                  | <b>\$21,144,772</b>         | <u>(\$316,950)</u>           | \$15,173,815         |
| <b>Profit for the Year</b>   |                                     | <u><b>\$47,370,708</b></u>  |                              | <u>\$38,675,341</u>  |

**See accompanying notes forming part of the Financial Statements**

In terms of my/our report attached.

**C.P.C. Diana Vazquez Campos**  
Statutory Auditor

**Lic. Fernando Salvador Ramos Suarez**  
President

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**L.C. Marco Antonio Cigarroa Cruz**  
Asst. Manager Accounts

Mexico City, March 25, 2015

SUN PHARMA DE MEXICO S.A. DE C.V.

CASH FLOW STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2014

|  | Year Ended December 31, 2014 |                       | Year Ended December 31, 2013 |                |
|--|------------------------------|-----------------------|------------------------------|----------------|
|  | Mexican Pesos                | Mexican Pesos         | Mexican Pesos                | Mexican Pesos  |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>             |                              |                       |                              |                |
| <b>Profit Before Tax</b>                               |                              | <b>\$68,515,480</b>   |                              | \$53,849,156   |
| <b>Adjustment for:</b>                                 |                              |                       |                              |                |
| Depreciation Expenses                                  | \$6,813,185                  |                       | \$6,338,713                  |                |
| Profit on Sales of Fixed Assets                        | (\$1,057,697)                |                       | (\$166,289)                  |                |
| Interest Income  | (\$512,259)                  |                       | (\$404,384)                  |                |
| Net Unrealised Exchange (Gain) / Loss                  | \$2,825,736                  |                       | \$385,485                    |                |
| Financial Expenses                                     | \$0                          | \$8,068,965           | \$89,071                     | \$6,242,596    |
| <b>Operating Profit Before Working Capital Changes</b> |                              | <b>\$76,584,445</b>   |                              | \$60,091,752   |
| <b>Changes in Working Capital:</b>                     |                              |                       |                              |                |
| Increase / (Decrease) Trade Payables                   | \$22,672,702                 |                       | (\$9,780,997)                |                |
| Increase / (Decrease) Other Current Liabilities        | (\$938,021)                  |                       | \$1,394,556                  |                |
| (Increase) / Decrease Inventories                      | (\$20,795,072)               |                       | (\$3,937,315)                |                |
| (Increase) / Decrease Trade Receivables                | (\$29,258,300)               |                       | (\$14,142,911)               |                |
| (Increase) / Decrease Short Term Loans and Advances    | \$5,023,999                  |                       | (\$7,104,552)                |                |
| (Increase) / Decrease Other Current Assets             | (\$81,000)                   | (\$23,375,692)        | \$160,000                    | (\$33,411,219) |
| <b>Cash Generated from Operations</b>                  |                              | <b>\$53,208,753</b>   |                              | \$26,680,533   |
| Income Tax Paid  |                              | \$21,858,332          |                              | \$15,490,765   |
| <b>Net Cash Flow from Operating Activities</b>         |                              | <b>\$31,350,421</b>   |                              | \$11,189,768   |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>             |                              |                       |                              |                |
| Share Capital Application Money Paid                   |                              | (\$23,430,259)        |                              | \$0            |
| Loans Paid   |                              | (\$9,369,088)         |                              | (\$2,112,695)  |
| Financial Expenses                                     |                              | \$0                   |                              | (\$89,071)     |
| <b>Net Cash Used in Financing Activities</b>           |                              | <b>(\$32,799,347)</b> |                              | (\$2,201,766)  |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>             |                              |                       |                              |                |
| Capital Expenditure on Fixed Assts                     |                              | (\$7,565,765)         |                              | (\$2,695,760)  |
| Proceed from Sale of Fixed Assets                      |                              | \$2,044,035           |                              | \$280,821      |
| Interest Received                                      |                              | \$512,259             |                              | \$404,384      |
| <b>Net Cash Used in Investing Activities</b>           |                              | <b>(\$5,009,471)</b>  |                              | (\$2,010,555)  |
| <b>NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS</b> |                              | <b>(\$6,458,397)</b>  |                              | \$6,977,447    |
| <b>CASH AND EQUIVALENTS AT BEGINNING OF THE YEAR</b>   |                              | <b>\$11,038,413</b>   |                              | \$4,060,966    |
| <b>CASH AND EQUIVALENTS AT END OF THE YEAR</b>         |                              | <b>\$4,580,016</b>    |                              | \$11,038,413   |

See accompanying notes forming part of the Financial Statements

In terms of my/our report attached.

**C.P.C. Diana Vazquez Campos**  
Statutory Auditor

**Lic. Fernando Salvador Ramos Suarez**  
President

For and on behalf of  
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**L.C. Marco Antonio Cigarroa Cruz**  
Asst. Manager Accounts

Mexico City, March 25, 2015

**SUN PHARMA DE MEXICO S.A. DE C.V.**

**STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY YEAR ENDED 31 ST DECEMBER, 2014**

| Shareholders' Name                        | Opening Balance |                    | Addition / (Deletion) |               | Closing Balance |                    |
|---|-----------------|--------------------|-----------------------|---------------|-----------------|--------------------|
|   | No. of Shares   | Mexican Pesos      | No. of Shares         | Mexican Pesos | No. of Shares   | Mexican Pesos      |
| Sun Pharmaceutical Industries Ltd.        | 750             | \$757,770          | 0                     | \$0           | 750             | \$757,770          |
| Grupo Farmaceutico Somar S.A.P.I. de C.V. | 250             | \$252,590          | (250)                 | (\$252,590)   | 0               | \$0                |
| Indi Pharma S.A.P.I. de C.V.              | 0               | \$0                | 250                   | \$252,590     | 250             | \$252,590          |
| <b>Total Capital Stock</b>                | <b>1,000</b>    | <b>\$1,010,360</b> | <b>0</b>              | <b>\$0</b>    | <b>1,000</b>    | <b>\$1,010,360</b> |
| Year ended December 31, 2013              | 1,000           | \$1,010,360        | 0                     | \$0           | 1,000           | \$1,010,360        |

**See accompanying notes forming part of the Financial Statements**

In terms of my/our report attached.

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President

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**L.C. Marco Antonio Cigarroa Cruz**  
Asst. Manager Accounts

Mexico City, March 25, 2015

## **SUN PHARMA DE MEXICO S.A. DE C.V.**

### **SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS**

#### **A. PRESENTATION:**

Sun Pharma de Mexico S.A. de C.V. is a Mexican Company incorporated on December 3, 2002 under the Mexican laws with a foreign investor, the Company is involved in business of Pharmaceutical Products.

The Financial Statements have been prepared in accordance with Mexican Financial Reporting Standards (Mexican FRS) as issued by CINIF (Consejo Mexicano para la Investigación y Desarrollo de Normas de Información Financiera, A.C.), the Financial Statements are presented in Mexican pesos.

#### **B. SIGNIFICANT ACCOUNTING POLICIES:**

##### **I. Basis of Accounting**

These financial statements are prepared under historical cost convention on an accrual basis in accordance with the Generally Accepted Accounting Principles in Mexico and Mexican Financial Reporting Standards (Mexican FRS) as issued by CINIF.

##### **II. Use of Estimates**

The presentation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which the results are known/materialized.

##### **III. Fixed Assets and Depreciation/Amortization**

Fixed Assets are stated at historical cost (net of IVA Credit) less accumulated depreciation/amortization thereon and impairment losses, if any. Depreciation on tangible assets is provided on Straight Line method at the rates specified under the Mexican Tax Laws.

##### **IV. Revenue Recognition**

Sales of products are recognized when risk and rewards of ownership of the products are passed on to the customers, which is generally on dispatch of products. Sales are stated Net of Discounts, Returns and IVA, if any.

##### **V. Inventories**

Inventories are stated at lower of cost and net realizable value.

## **VI. Foreign Currency Transactions**

Transactions denominated in foreign currencies are recorded at the exchange rates that approximate the actual rate prevailing at the date of transaction. Monetary items denominated in foreign currency at the yearend are translated at year end rates. The exchange differences arising on translation are recognized in the Statement of Profit and Loss.

## **VII. Effects of Inflation**

As defined under Mexican FRS B-10, Effects of Inflation, the Company is considered to operate in a non-inflationary environment and accordingly, the Company presents its financial information in nominal Mexican pesos.

## **VIII. Taxes on Income, Flat Rate Business Tax and Employee's Statutory Profit Sharing**

The Liabilities, if any, in respect of the Current tax,Deferred tax,Flat Rate Business tax and Employees Statutory Profit Sharing are determined and provided for in accordance with the vigor Mexican Laws. Deferred tax resulting from "timing differences" between taxable and accounting income is accounted in accordance with the lawsusing the tax rates and laws that are enacted orsubstantively enacted as on the balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a reasonable certainty that the assets can be realized in future. However, where there is carry forward losses under taxation laws, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Deferred tax assets are reviewed as at each Balance sheet date.

## **IX. Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of the obligation can be made. Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by future events not wholly within the control of the company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

## **C. NOTES TO FINANCIAL STATEMENTS:**

### **1. Capital Stock**

As at December 31, 2014, the Fixed Capital Stock represents an amount of \$1,010,360 Mexican Pesos (Previous Year \$1,010,360 Mexican Pesos), represented by 1,000 (Previous Year 1,000) Ordinary and Nominative Shares with no par value.

### **2. Legal Reserve**

In accordance with the requirements of Mexican General Corporations Law and the By-laws of the Company of creating Legal Reserve of 5% of Capital Stock,the Company, in the year 2012, has created Legal Reserve of \$202,072 Mexican Peso out of the Accumulated Profits.

3. Previous years' Figures are regrouped wherever necessary.



#### 4. Balances of and Operations with Related Parties

##### a) Balances

|   | As at December 31, 2014<br>Mexican Pesos | As at December 31, 2013<br>Mexican Pesos |
|---|--|--|
| <b>Share Capital Application Money:</b>     |  |  |
| Sun Pharmaceutical Industries Ltd.          | \$0                                      | \$17,572,694                             |
| Grupo Farmaceutico Somar S.A.P.I. de C.V.   | \$0                                      | \$5,857,565                              |
| <b>Long Term Borrowings:</b>                |  |  |
| Sun Pharma Global FZE                       | \$26,448,966                             | \$31,356,480                             |
| Grupo Farmaceutico Somar S.A.P.I. de C.V.   | \$0                                      | \$10,452,160                             |
| Indi Pharma S.A.P.I. de C.V.                | \$8,816,317                              | 0  |
| <b>Trade Payables:</b>                      |  |  |
| Serral, S.A. de C.V.                        | \$24,303,984                             | \$4,466,293                              |
| Sun Pharmaceuticals Industries Ltd.         | \$9,244,883                              | \$1,138,815                              |
| Somar Humana, S.A. de C.V.                  | \$326,737                                | \$365,612                                |
| <b>Trade Receivables:</b>                   |  |  |
| Suplementos Medico Quirurgicos S.A. de C.V. | \$176,440                                | \$785,700                                |

##### b) Operations

|   | Year ended December 31, 2014<br>Mexican Pesos | Year ended December 31, 2013<br>Mexican Pesos |
|---|---|---|
| <b>Purchases / Expenses:</b>                |   |   |
| Serral, S.A. de C.V.                        | \$58,797,442                                  | \$30,993,003                                  |
| Sun Pharmaceuticals Industries Ltd.         | \$34,413,449                                  | \$16,890,820                                  |
| Somar Humana, S.A. de C.V.                  | \$52,414,937                                  | \$46,717,255                                  |
| Pharma Inmobiliaria, S.A. de C.V.           | \$837,876                                     | \$790,650                                     |
| <b>Sales:</b>                               |   |   |
| Suplementos Medico Quirurgicos S.A. de C.V. | \$5,133,650                                   | \$624,756                                     |

#### 5. Reserves and Surplus

|   | As at December 31, 2014<br>Mexican Pesos | As at December 31, 2013<br>Mexican Pesos | As at December 31, 2013<br>Mexican Pesos |
|---|--|--|--|
| <b>Legal Reserve:</b>                           |  |  |  |
| Opening / Closing Balance                       | \$202,072                                |  | \$202,072                                |
| <b>Surplus in Statement of Profit and Loss:</b> |  |  |  |
| Opening Balance                                 | \$79,587,430                             | \$40,912,088                             |  |
| Add: Profit For the Year                        | \$47,370,708                             | \$38,675,341                             |  |
| Closing Balance                                 | \$126,958,138                            |  | \$79,587,430                             |
|   | <u>\$127,160,210</u>                     |  | <u>\$79,789,502</u>                      |

#### 6. Inventories

|                                     | As at December 31, 2014<br>Mexican Pesos | As at December 31, 2013<br>Mexican Pesos | As at December 31, 2013<br>Mexican Pesos | As at December 31, 2013<br>Mexican Pesos |
|-------------------------------------|--|--|--|--|
| Raw Materials and Packing Materials | \$9,655,786                              |  | \$8,438,097                              |  |
| Goods In Transit                    | \$2,537,491                              | \$12,193,277                             | \$94,069                                 | \$8,532,166                              |
| Work In Progress                    |  | \$2,118,754                              |  | \$1,141,566                              |
| Finished Goods                      | \$30,218,227                             |  | \$13,366,491                             |  |
| Goods In Transit                    | \$349,782                                | \$30,568,009                             | \$1,044,745                              | \$14,411,236                             |
|                                     |  | <u>\$44,880,040</u>                      |  | <u>\$24,084,968</u>                      |

**7. FIXED ASSETS**

| Particulars                | Dep. Rate | Gross Block (At Cost) |                           |   |                     | Depreciation / Amortisation / Impairment |                            |                           |                     | Net Block           |                     |
|----------------------------|-----------|-----------------------|---------------------------|---|---------------------|--|----------------------------|---------------------------|---------------------|---------------------|---------------------|
|                            |           | As At 01.01.14        | Additions During the Year | Deletions / Adjustments During the Year | As at 31.12.14      | As at 01.01.14                           | Depreciations For the Year | On Deletions For the Year | As at 31.12.14      | As at 31.12.14      | As at 31.12.13      |
|                            |           |                       |                           |   |                     |  |                            |                           |                     |                     |                     |
| Freehold Land              | 0%        | \$5,245,942           |                           |   | \$5,245,942         | \$1,460,518                              |                            |                           | \$0                 | \$5,245,942         | \$5,245,942         |
| Buildings                  | 5%        | \$5,296,665           |                           |   | \$5,296,665         | \$264,833                                |                            |                           | \$1,725,351         | \$3,836,147         | \$3,836,147         |
| Plant and Machinery        | 10%       | \$33,473,770          | \$594,787                 |   | \$34,068,557        | \$3,288,621                              |                            |                           | \$18,479,130        | \$15,589,427        | \$18,283,261        |
| Data Processing Equipments | 30%       | \$817,189             | \$185,506                 |   | \$1,002,695         | \$297,112                                |                            |                           | \$519,125           | \$483,570           | \$520,077           |
| Office Equipments          | 10%       | \$270,951             |                           |   | \$270,951           | \$174,979                                |                            |                           | \$196,986           | \$73,965            | \$95,972            |
| Vehicles                   | 25%       | \$10,679,035          | \$6,522,360               | (\$4,306,302)                           | \$12,895,093        | \$5,024,339                              | \$2,721,755                | (\$3,319,964)             | \$4,426,130         | \$8,468,963         | \$5,654,696         |
| Electrical Fittings        | 10%       | \$117,641             |                           |   | \$117,641           | \$49,256                                 |                            |                           | \$61,020            | \$56,621            | \$68,385            |
| Furniture and Fixtures     | 10%       | \$2,821,918           | \$263,112                 |   | \$3,085,030         | \$1,166,918                              | \$282,192                  |                           | \$1,449,110         | \$1,635,920         | \$1,655,000         |
| <b>Total</b>               |           | <b>\$58,723,111</b>   | <b>\$7,565,765</b>        | <b>(\$4,306,302)</b>                    | <b>\$61,982,574</b> | <b>\$23,363,631</b>                      | <b>\$6,813,185</b>         | <b>(\$3,319,964)</b>      | <b>\$26,856,852</b> | <b>\$35,125,722</b> | <b>\$35,359,480</b> |
| Previous Year 2013         |           | \$56,513,616          | \$2,771,559               | (\$562,064)                             | \$58,723,111        | \$17,396,653                             | \$6,338,713                | (\$371,735)               | \$23,363,631        | \$35,359,480        |                     |

Mexican Pesos