
FDC INC

FINANCIAL STATEMENTS

March 31, 2014

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INDEPENDENT AUDITOR'S REPORT

To
Board of Directors and Shareholders of
FDC Inc.

We have audited the accompanying financial statements of FDC INC (the "Company"), which comprise the balance sheet as of March 31, 2014, and the related statement of operations, retained earnings, and cash flows for the year then ended, and the related notes to financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation 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 auditing standards generally in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

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 risks 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 the 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. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of FDC INC as of March 31, 2014, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

A handwritten signature in cursive script that reads "Iyer Associates".

Iyer Associates
Hamilton, NJ

May 5, 2014

FDC INC.
Balance Sheet As of
March 31, 2014

ASSETS

Current assets	
Cash and cash equivalents	\$ 89,644
Total current assets	<u>89,644</u>
TOTAL ASSETS	<u>\$ 89,644</u>

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities	
Accounts payable & accrued expenses	\$ 900
Provision for Taxes	<u>500</u>
Total current liabilities	<u>1,400</u>
Stockholders' equity	
Common stock, \$100 par value; 2,500 shares authorized, 500 shares issued and outstanding	50,000
Retained earnings	<u>38,244</u>
Total stockholders' equity	<u>88,244</u>
TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY	<u>\$ 89,644</u>

- See Independent auditor's report and notes to financial statements -

FDC INC.
Statement of operations
For the year ended March 31, 2014

Net sales	\$ -
General and administrative expenses	<u>1,510</u>
Net Loss	<u>\$ (1,510)</u>

- See Independent Auditor's report and notes to financial statements -

FDC INC.

Statement of Changes in Stockholders' Equity
Year ended March 31, 2014

	Common stock			Total stockholders' equity
	Shares	Amount	Retained earnings	
Balance, March 31, 2013	500	\$ 50,000	\$ 39,754	\$ 89,754
Net loss for the year	-	-	(1,510)	(1,510)
Balance, March 31, 2014	500	\$ 50,000	\$ 38,244	\$ 88,244

- See Independent Auditor's report and notes to financial statements -
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FDC INC.
Statement of Cash Flows
For the Year ended March 31, 2014

Cash flows from operating activities	
Net loss	\$ (1,510)
Changes in assets and liabilities:	
Increase (decrease) in:	
Accounts payable & accrued expenses	(75)
Provision for Taxation	500
Net cash used in operating activities	<u>(1,085)</u>
Net decrease in cash and cash equivalents	(1,085)
Cash at the beginning of the year	<u>90,729</u>
Cash at the end of the year	<u>\$ 89,644</u>
Supplementary disclosure of cash flows information	
Cash paid during the year for	
Income taxes	\$ -

FDC INC.
NOTES TO FINANCIAL STATEMENTS
For the Year ended March 31, 2014

1) **Organization And Description Of Business**

FDC Inc. (FDC) was incorporated in the state of New Jersey on September 01, 2004. It is a 100% subsidiary of FDC Limited (an Indian Company). FDC imports pharmaceutical formulations and generic products from its parent company, FDC Limited, and sells and distributes such products to various consumers in the United States.

The Company is not engaged in any commercial activity at this time in the United States of America. The Management has taken major efforts to ensure the continuity of the Company as a going concern for the next twelve months.

2) **Summary Of Significant Accounting Policies**

Accounting Policies

These financial statements are prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America ("GAAP"); consequently, revenue is recognized when services are rendered and expenses reflected when costs are incurred.

Going Concern

These financial statements are prepared under the Going Concern principle, the company is viewed as continuing in business for the foreseeable future.

Basis of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and use assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. These estimates are often based on judgments, probabilities and assumptions that management believes are reasonable but that are inherently uncertain and unpredictable. As a result, actual result could differ from those estimates.

FDC INC.

NOTES TO FINANCIAL STATEMENTS

For the Year ended March 31, 2014

Management periodically evaluates estimates used in the preparation of the financial statements for continued reasonableness. Appropriate adjustments, if any, to the estimates used are made prospectively based on such periodic evaluations.

Cash Equivalents

The Company considers all checking accounts to be cash and cash equivalents.

The Company's checking accounts are located with Bank of America. The amount on hand at any one time in any of these accounts may exceed the \$250,000 federal insured limit.

Accounts Receivable

Accounts receivable are recorded at net realizable value consisting of the carrying amount less the allowance for doubtful accounts.

Uncollectible accounts are provided on the allowance method based on historic experience and management's evaluation of outstanding accounts receivable at the end of each fiscal year. For the year ended March 31, 2014, the allowance for doubtful accounts amounted to \$ Nil.

Revenue Recognition

The Company recognizes revenue when products are shipped to customers on FOB basis.

3) New Accounting Pronouncements:

- a) In May 2009, the FASB issued authoritative guidance establishing principles and requirements for recognition and disclosure of subsequent events in the financial statements. The Company's adoption of this guidance on June 30, 2009 did not have a material effect on the Company's financial operations.
- b) In June 2009, the FASB issued authoritative guidance, "The FASB Accounting standards codification and hierarchy of Generally Accepted Accounting Principle - a replacement of FASB statement No. 162" (the "Codification"). The Codification does not alter current U.S. GAAP, but rather integrates existing

FDC INC.

NOTES TO FINANCIAL STATEMENTS

For the Year ended March 31, 2014

accounting standards with other authoritative guidance. Under the codification, there is a single source of authoritative U.S. GAAP for nongovernmental entities and it supersedes all other previously issued non-SEC accounting and reporting guidance. The codification is effective for financial statement periods ending after September 15, 2009. Company's adoption of the codification on July 1, 2009 did not have a material effect on Company's financial condition or result of operations.

- c) In July 2006, the FASB issued FASB Interpretation No. 48 ("FIN 48"), "Accounting for Uncertainty in Income Taxes". FIN 48 prescribes detail guidance for the financial statements recognition, measurement and disclosure of certain tax positions recognized in an enterprise's financial statements in accordance with FASB statement No. 109, "Accounting for Income Taxes." Tax positions must meet a more-likely-than-not recognition threshold at the effective date to be recognized upon the adoption of FIN 48 and in subsequent periods. FIN 48 is effective for fiscal years beginning after December 15, 2006, and the provisions of FIN 48 are applied to all tax positions upon initial adoption of the Interpretation. The cumulative effect of applying the provisions of this Interpretation are reported as an adjustment to the opening balance of retained earnings for each fiscal year. The effect of FIN 48 will not have any significant effects on the Company's financial statements.
- d) In December 2010, the FASB issued a new accounting standard requiring that Step 2 of the goodwill impairment test be performed for reporting units whose carrying value is zero or negative. This guidance will be effective January 1, 2011. Our adoption of this standard will not have a material effect on our financial condition or results of operation.