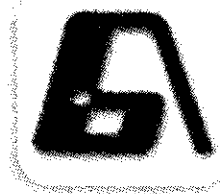


GILLANDERS HOLDINGS (MAURITIUS) LIMITED



ORIGINAL SIGNED ACCOUNTS 2016

FINAL ACCOUNTS

YEAR ENDED 31ST MARCH, 2016

GILLANDERS HOLDINGS (MAURITIUS) LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

GILLANDERS HOLDINGS (MAURITIUS) LIMITED**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

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GILLANDERS HOLDINGS (MAURITIUS) LIMITED**COMPANY INFORMATION**

		Date of appointment
DIRECTORS	:	
	Sachidananda Payandee Govinda	28 May 2014
	Vimla Ramsamy	28 May 2014
	Bithal Kumar Kothari	30 May 2014
	Vijay Kumar	30 May 2014
ADMINISTRATOR AND SECRETARY	:	
	Abax Corporate Services Ltd 6 th Floor, Tower A, 1 CyberCity Ebène Republic of Mauritius	
REGISTERED OFFICE	:	
	C/o Abax Corporate Services Ltd 6 th Floor, Tower A, 1 CyberCity Ebène Republic of Mauritius	
AUDITOR	:	
	SRA Partners 5 TH Floor, Labourdonnais Court Corner Labourdonnais and St Georges Streets Port Louis Republic of Mauritius	
BANKER	:	
	SBI (Mauritius) Ltd, Head Office SBI Tower Mindspace Bhumi Park, 45 Ebène Republic of Mauritius.	

GILLANDERS HOLDINGS (MAURITIUS) LIMITED

COMMENTARY OF DIRECTORS

The directors present their commentary and the audited financial statements of Gillanders Holdings (Mauritius) Limited ("the Company") for the year ended 31 March 2016.

PRINCIPAL ACTIVITY

The principal activity of the Company is to hold investments.

RESULTS AND DIVIDENDS

The Company's profit for the year ended 31 March 2016 is **USD 28,009** (2015 – loss of USD 106,307).

The directors do not recommend the payment of dividend for the year under review (2015 – USD nil).

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

Company law requires the directors to prepare financial statements for each financial year which present fairly the financial position, financial performance and cash flows of the Company. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether International Financial Reporting Standards as modified by the exemption provided by the Mauritian Companies Act 2001 have been followed and complied with, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors have confirmed that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Mauritian Companies Act 2001. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITOR

SRA Partners has indicated its willingness to continue in office and will be automatically re-appointed at the next Annual Meeting.

By Order of the Board



SECRETARY

Date: 27 May 2016



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1 Cybernet, Grand Maohiti
Mauritius

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SECRETARY'S CERTIFICATE

TO THE MEMBERS OF GILLANDERS HOLDINGS (MAURITIUS) LIMITED

UNDER SECTION 166 (d) OF THE MAURITIAN COMPANIES ACT 2001

We confirm that, based on records and information made available to us by the Directors and Shareholder of the Company, the Company has filed with the Registrar of Companies, for the financial year ended 31 March 2016, all such returns as are required of the Company under the Mauritius Companies Act 2001.

Dated 27 May 2016

Company Secretary



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

GILLANDERS HOLDINGS (MAURITIUS) LIMITED

Report on the Financial Statements

We have audited the financial statements of Gillanders Holdings (Mauritius) Limited (the "Company") on pages 7 to 24 which comprise the statement of financial position at 31 March 2016 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

Directors' Responsibility for the Financial Statements

The Company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with and comply with International Financial Reporting Standards and in compliance with the requirements of the Mauritian Companies Act 2001. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with 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 judgement, 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 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 statements.

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





INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

GILLANDERS HOLDINGS (MAURITIUS) LIMITED

Report on the Financial Statements (Continued)

Opinion

In our opinion, the financial statements on pages 7 to 24 give a true and fair view of the financial position of the Company at 31 March 2016 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the Mauritian Companies Act 2001.

Emphasis of matter

Without modifying our opinion, we draw attention to Note 13 to the financial statements, which describes the basis of accounting. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

The Mauritian Companies Act 2001 requires that in carrying out our audit we consider and report to you on the following matters. We confirm that:

- (a) we have no relationship with or interests in the Company other than in our capacity as auditors;
- (b) we have obtained all the information and explanations we have required; and
- (c) in our opinion, proper accounting records have been kept by the Company as far as appears from our examination of those records.

Other matters

This report, including the opinion, has been prepared for and only for the Company's members, as a body, in accordance with Section 205 of the Mauritian Companies Act 2001 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

SRA Partners

SRA Partners

Shareef Ramjan (FCCA)
Licenced by FRC

Date: 27 MAY 2016

GILLANDERS HOLDINGS (MAURITIUS) LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2016

	Year ended 31 March 2016 USD	28 May 2014 to 31 March 2015 USD
Income	-	-
Expenses		
Transaction costs	156,000	180,790
Secretarial fees	9,200	19,000
Legal fees	-	7,141
Accountancy fees	3,500	4,000
Incorporation costs	-	2,520
Directors' fees	3,000	2,500
Commission	3,250	1,683
Annual licence fees	1,860	1,642
Audit fees	1,380	1,380
Bank charges	1,845	1,346
Domiciliation and compliance fees	1,425	1,188
Taxation fees	1,000	1,000
Disbursements	500	500
Annual registration fees	569	401
	-----	-----
	183,529	225,091
	-----	-----
Operating loss	(183,529)	(225,091)
Finance cost	(418,893)	(201,059)
Finance Income	741,668	376,283
	-----	-----
Profit/(loss) before Income tax	139,246	(49,867)
Income tax expense (Note 5)	(111,237)	(56,440)
	-----	-----
Profit(loss) for the year/period	28,009	(106,307)
Other comprehensive income	-	-
	-----	-----
TOTAL COMPREHENSIVE INCOME FOR THE YEAR/PERIOD	28,009	(106,307)
	=====	=====

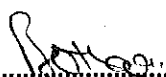
The notes on pages 11 to 24 form an integral part of these financial statements.

GILLANDERS HOLDINGS (MAURITIUS) LIMITED

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2016

	2016 USD	2015 USD
ASSETS		
Non-current assets		
Investment in subsidiary (Note 6)	3,701,969	3,701,969
Loan receivable (Note 7)	8,407,000	8,407,000
	<u>12,108,969</u>	<u>12,108,969</u>
Current assets		
Other receivables (Note 8)	243,664	401,205
Cash and cash equivalents	53,383	115,153
	<u>297,047</u>	<u>516,358</u>
Total assets	<u><u>12,406,016</u></u>	<u><u>12,625,327</u></u>
EQUITY AND LIABILITIES		
Equity		
Stated capital (Note 9)	10,000	10,000
Retained deficit	(78,298)	(106,307)
Shareholder's deficit	<u>(68,298)</u>	<u>(96,307)</u>
LIABILITIES		
Non-current liabilities		
Borrowings (Note 10)	12,451,704	12,601,704
Current liabilities		
Other payables (Note 11)	22,610	119,930
Total liabilities	<u>12,474,314</u>	<u>12,721,634</u>
Total equity and liabilities	<u><u>12,406,016</u></u>	<u><u>12,625,327</u></u>

Authorised for issue by the Board of directors on 27 May 2016
and signed on its behalf by:



Director



Director

The notes on pages 11 to 24 form an integral part of these financial statements.

GILLANDERS HOLDINGS (MAURITIUS) LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2016

	Stated capital USD	Retained deficit USD	Total USD
At 28 May 2014	-	-	-
Total comprehensive income for the period	-	(106,307)	(106,307)
<i>Transaction with owners:</i>			
Issued during the period	10,000	-	10,000
At 31 March 2015	10,000	(106,307)	(96,307)
Total comprehensive income for the year	-	28,009	28,009
At 31 March 2016	10,000	(78,298)	(68,298)

The notes on pages 11 to 24 form an integral part of these financial statements.

GILLANDERS HOLDINGS (MAURITIUS) LIMITED

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2016

	Year ended 31 March 2016 USD	28 May 2014 to 31 March 2015 USD
Cash flow from operating activities		
Profit/(loss) before income tax	139,246	(49,867)
<i>Adjustment for non-cash items:</i>		
Interest income	(741,668)	(376,264)
Interest expense	418,893	201,059
	-----	-----
Operating loss before working capital changes	(183,529)	(225,072)
Change in other receivables	156,354	(387,629)
Change in other payables	(98,249)	111,062
	-----	-----
Cash used in operating activities	(125,424)	(501,639)
Interest paid	(417,964)	(192,191)
Interest received	631,618	306,248
	-----	-----
Net cash generated from/(used in) operating activities	88,230	(387,582)
	-----	-----
Cash flow from investing activities		
Acquisition of investment (Note 6)	-	(3,701,969)
Loan advanced to subsidiary (Note 7)	-	(8,407,000)
	-----	-----
Net cash used in investing activities	-	(12,108,969)
	-----	-----
Cash flow from financing activities		
Proceeds from issue of shares (Note 8)	-	10,000
Proceeds from borrowings (Note 9)	-	12,601,704
Refund of borrowings (Note 9)	(150,000)	-
	-----	-----
Net cash (used in)/generated from financing activities	(150,000)	12,611,704
	-----	-----
Net movement in cash and cash equivalents	(61,770)	115,153
	-----	-----
Cash and cash equivalents at beginning of year/period	115,153	-
	-----	-----
Cash and cash equivalents at end of year/period	53,383	115,153
	=====	=====

The notes on pages 11 to 24 form an integral part of these financial statements.

GILLANDERS HOLDINGS (MAURITIUS) LIMITED**NOTES TO THE FINANCIAL STATEMENTS - FOR THE YEAR ENDED 31 MARCH 2016****1 GENERAL INFORMATION**

Gillanders Holdings (Mauritius) Limited (the "Company") is a private limited company incorporated on 28 May 2014 and is domiciled in the Republic of Mauritius. The Company holds a Category 1 Global Business licence and is regulated by the Financial Services Commission. The Company's registered office address is C/o Abax Corporate Services Ltd, 6th Floor Tower A, 1 CyberCity, Ebène, Republic of Mauritius.

The principal activity of the Company is to hold investments.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below:

Basis of preparation

The financial statements have been prepared in accordance with and in compliance with International Financial Reporting Standards ("IFRS") and IFRIC interpretations as modified by the exemption from consolidation in the Mauritius Companies Act 2001 for company holding a Category 1 Global Business Licence. The financial statements have been prepared under the historical cost convention.

Use of judgements and estimates

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the directors to exercise their judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are described in Note 3.

Changes in accounting policy and disclosures**(a) New and amended standards and interpretations effective during the current year**

During the current year, the following standard has been adopted by the Company for the first time for the financial year beginning on or after 1 April 2015:

IAS 24, 'Related party disclosures' is amended to include, as a related party, an entity that provides key management personnel services to the reporting entity or to the parent of the reporting entity (the 'management entity'). Disclosure of the amounts charged to the reporting entity is required. The amendment has resulted in additional disclosures in the financial statements.

(b) Standards and interpretations issued but not yet effective

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 April 2015, and have not been applied in preparing these financial statements. None of these is expected to have a significant effect on the financial statements of the Company, except the following set out below:

GILLANDERS HOLDINGS (MAURITIUS) LIMITED**NOTES TO THE FINANCIAL STATEMENTS - FOR THE YEAR ENDED 31 MARCH 2016****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)*****Changes in accounting policy and disclosures (continued)******(b) Standards and interpretations issued but not yet effective (continued)***

IFRS 9, 'Financial instruments', addresses the classification, measurement and recognition of financial assets and financial liabilities. The complete version of IFRS 9 was issued in July 2014. It replaces the guidance in IAS 39 that relates to the classification and measurement of financial instruments. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through OCI and fair value through P&L. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to credit losses model that replaces the incurred loss impairment model used in IAS 39. For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss. IFRS 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management actually use for risk management purposes. Contemporaneous documentation is still required but is different to that currently prepared under IAS 39. The standard is effective for accounting periods beginning on or after 1 January 2018. Early adoption is permitted. The Company is yet to assess IFRS 9's full impact.

IFRS 15, 'Revenue from contracts with customers' deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The standard replaces IAS 18 'Revenue' and IAS 11 'Construction contracts' and related interpretations. The standard is effective for annual periods beginning on or after 1 January 2017 and earlier application is permitted. The Company is assessing the impact of IFRS 15. There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

Disclosure Initiative (Amendments to IAS 1), provide additional guidance on the application of materiality and aggregation when preparing financial statements. The amendments also clarify presentation principles applicable to of the order of notes, other comprehensive income ('OCI') of equity accounted investees and subtotals presented in the statement of financial position and statement of profit or loss and other comprehensive income.

The amendments apply for annual periods beginning on or after 1 January 2016 and early application is permitted.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

GILLANDERS HOLDINGS (MAURITIUS) LIMITED**NOTES TO THE FINANCIAL STATEMENTS - FOR THE YEAR ENDED 31 MARCH 2016****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)*****Foreign currency translation******(a) Functional and presentation currency***

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in United States dollars (USD), which is the functional and presentation currency. The USD is the currency that most faithfully reflects the underlying transactions, events and conditions that are relevant to the Company.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rate at the date when fair value was determined.

Current and deferred income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the financial position date in the country where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised in full, using the liability method on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the financial position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets on accumulated tax losses are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Investment in subsidiary

Subsidiaries are all entities (including structured entities) over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are deconsolidated from the date that control ceases.

GILLANDERS HOLDINGS (MAURITIUS) LIMITED**NOTES TO THE FINANCIAL STATEMENTS - FOR THE YEAR ENDED 31 MARCH 2016****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)*****Investment in subsidiary (continued)***

Investment in subsidiary is carried at cost. Where the recoverable amount of an investment is less than its carrying amount, the investment is written down immediately to its recoverable amount and the impairment loss is recognised as an expense in profit or loss. On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to profit or loss. Details of the Company's subsidiary undertakings are shown in Note 6.

Consolidated financial statements

The Company has taken exemption provided by the Mauritian Companies Act 2001 allowing a wholly owned or virtually owned parent company holding a Category 1 Global Business Licence not to present consolidated financial statements. The financial statements are of the Company only and do not consolidate the results of its subsidiary. The parent company, Gillanders Arbuthnot and Company Limited, a company listed on the Calcutta Stock Exchange, Bombay Stock Exchange and National Stock Exchange of India, prepares consolidated financial statements in accordance with Indian GAAP. These consolidated financial statements are obtainable in Gillanders Arbuthnot and Company Limited website which is www.gillandersarbuthnot.com.

Financial instruments

The Company initially recognises financial instruments on the date that they are originated. All other financial assets are recognised initially on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument. Financial instruments are initially recognised at fair value plus transaction costs.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Financial instruments carried on the statement of financial position include loans and receivables, cash and cash equivalents, other payables and borrowings. The particular recognition methods adopted are disclosed below:

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Cash and cash equivalents

Cash and cash equivalents comprise current deposits with banks. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

Other payables

Other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in statement of profit or loss and other comprehensive income over the period of the borrowings using the effective interest method.

GILLANDERS HOLDINGS (MAURITIUS) LIMITED**NOTES TO THE FINANCIAL STATEMENTS - FOR THE YEAR ENDED 31 MARCH 2016****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)*****Stated capital***

Ordinary shares are classified as equity.

Impairment of non-financial assets

The carrying amount of assets is assessed at each financial position date to determine whether there are any indications of impairment. If any such indication exists, the Company estimates the recoverable amount of the asset being the higher of the asset's net selling price and its value in use, in order to determine the extent of the impairment loss (if any). An impairment loss is recognised for any excess of the asset's carrying amount over its recoverable amount and is taken directly to profit or loss.

Impairment of financial assets

The Company assesses at each financial position date whether a financial asset or group of financial assets is impaired.

Assets carried at amortised cost

If there is objective evidence that an impairment loss on assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The asset's carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in profit or loss.

Derecognition of financial assets and liabilities.

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, contractual rights of the cash flow from the asset expire, or the rights to receive the contractual cash flows on the financial asset are transferred. Any interest in transferred financial asset that is created or retained by the Company is recorded as a separate asset or liability.

The Company derecognises a financial liability when its contractual obligations are discharged, cancelled or expired.

Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated.

Revenue recognition

Interest income is recognised using the effective interest method.

Dividend income is recognised when the right to receive the dividend is established.

Expense recognition

Expenses are accounted for in the statement of profit or loss and other comprehensive income on an accrual basis.

GILLANDERS HOLDINGS (MAURITIUS) LIMITED**NOTES TO THE FINANCIAL STATEMENTS - FOR THE YEAR ENDED 31 MARCH 2016****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)***Incorporation costs*

Incorporation costs are written off in the statement of profit or loss and other comprehensive income when incurred.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The Company makes estimates and judgements that affect the reported amounts of assets and liabilities within the next year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Determination of functional currency

The determination of the functional currency of the Company is critical since recording of transactions and exchange differences arising thereon are dependent on the functional currency selected. As described in Note 2, the directors have considered those factors therein and have determined that the functional currency of the company is the USD.

Going concern

The Company's directors have made an assessment of the Company's ability to continue as a going concern and are satisfied that the Company has the support of its parent to continue in business for the foreseeable future. Furthermore, the directors are not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

4 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES*Financial risk factors*

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and equity price risk), credit risk and liquidity risk. This note presents information about the Company's exposure to each of the said risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. Further quantitative disclosures are included throughout these financial statements.

The board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company to set appropriate measures and controls and to monitor risks and adherence to limits. Risks management policies and systems are reviewed regularly to reflect changes in market conditions and in the Company's activities.

The Company's exposure to the various types of risks associated to its activity and financial instruments is detailed below.

(a) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Market risk comprises three types of risk: currency risk, interest rate risk and equity price risk.

GILLANDERS HOLDINGS (MAURITIUS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS - FOR THE YEAR ENDED 31 MARCH 2016

4 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(a) Market risk (continued)

(i) Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. None of the Company's financial assets and liabilities is denominated in foreign currency at the reporting date and therefore is not exposed to foreign currency risk.

(ii) Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments.

The Company exposure to cash flow interest rate risk arises from interest received and interest paid on loans. Based on the simulation performed, the impact on pre-tax loss for the year ended 31 March 2016 of a 0.5% change in interest rates would be a maximum decrease/increase of **USD 1,621** (2015 – USD 1,443) mainly as a result of higher/lower interest.

(iii) Equity price risk

Equity price risk is the risk of unfavourable changes in fair values of equities as the result of changes in the value of individual shares. The Company has no exposure to equity price risk at year end.

(b) Credit risk

The Company takes on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from loan receivables from subsidiary and cash and cash equivalents. The Company has limited its credit risk by carrying out transactions with related parties. The Company places its cash and cash equivalents with reputable financial institutions. The maximum exposure to credit risk is depicted in the table below:

	2016 USD	2015 USD
Loan receivable	8,407,000	8,407,000
Interest receivable	12,389	13,576
Cash and cash equivalents	53,383	115,153
	-----	-----
	8,472,772	8,535,729
	=====	=====

(c) Liquidity risk

Liquidity risk is the risk that an entity will encounter financial difficulty in meeting obligations associated with financial liabilities. The Company manages liquidity risk through funding from its parent.

The table below summarises the maturity profile of the Company's financial liabilities at 31 March 2016 based on contractual undiscounted payments:

GILLANDERS HOLDINGS (MAURITIUS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS - FOR THE YEAR ENDED 31 MARCH 2016

4 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(c) *Liquidity risk (continued)*

	Within one year USD	More than one year USD	Total USD
2016			
Borrowings	-	12,451,704	12,451,704
Interest payable	9,797	-	9,797
Other payables	12,813	-	12,813
	<u>22,610</u>	<u>12,451,704</u>	<u>12,474,314</u>
	=====	=====	=====
	Within one year USD	More than one year USD	Total USD
2015			
Borrowings	-	12,601,704	12,601,704
Interest payable	8,868	-	8,868
Other payables	111,062	-	111,062
	<u>119,930</u>	<u>12,601,704</u>	<u>12,721,634</u>
	=====	=====	=====

(d) *Fair value*

The carrying amounts of loan receivable, cash and cash equivalents, borrowings and other payables approximate their fair values.

(e) *Capital risk management*

The Company's objective when managing capital is to safeguard the Company's ability to pay its debts when they fall due and to continue as a going concern. Capital comprises of equity. In order to maintain or adjust the capital structure, the Company may issue shares or have recourse from funds of its parent.

The Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (current and non-current borrowings) less cash and cash equivalents (including bank overdraft). Capital is calculated as equity shown in the statement of financial position plus net debt.

GILLANDERS HOLDINGS (MAURITIUS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS - FOR THE YEAR ENDED 31 MARCH 2016

4 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(e) *Capital risk management*

	2016 USD	2015 USD
Total borrowings	12,451,704	12,601,704
Less: Cash and cash equivalents	(53,383)	(115,153)
Net debt	12,398,321	12,486,551
Total equity	(68,298)	(96,307)
Total capital	12,330,023	12,390,244
Gearing Ratio	100.55%	100.78%

(f) *Financial instruments by category*

	2016 USD	2015 USD
Financial assets		
<i>Loans and receivables</i>		
Loan receivable	8,407,000	8,407,000
Interest receivable	12,389	13,576
Cash and cash equivalents	53,383	115,153
	8,472,772	8,535,729
	2016 USD	2015 USD
Financial liabilities		
<i>Other financial liabilities at amortised cost</i>		
Borrowings	12,451,704	12,601,704
Interest payable	9,797	8,868
Other payables	12,813	111,062
	12,474,314	12,721,634

GILLANDERS HOLDINGS (MAURITIUS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS - FOR THE YEAR ENDED 31 MARCH 2016

5 INCOME TAX

The Company is subject to income tax in Mauritius on its net income at **15%** (2015 – USD 15%). However, the Company is entitled to a tax credit equivalent to the higher of the actual foreign tax suffered and **80%** of the Mauritius tax on its foreign source income, thereby giving an effective tax rate of **3%** (2015 – USD 3%). Gains or profits from the sale of units or securities by a company holding a Category 1 Global Business Licence under the Financial Services Act 2007 are exempt in Mauritius.

Mauritius

The foregoing is based on current interpretation and practice and is subject to any future changes in the Mauritian tax laws. At 31 March 2016, the Company had a tax expense of **USD 111,237** (2015 – USD 56,440).

	2016 USD	2015 USD
The tax expense for the year/period consists of:		
Withholding tax charge	111,237	56,440
	=====	=====

Malawi

The Company is subject to withholding tax on dividend and interest at the rate of 10% and 15% respectively. A reconciliation between the accounting profit and the tax charge is as follows:

	2016 USD	2015 USD
Profit/(loss) before taxation	139,246	(49,867)
Applicable income tax rate @15%	20,887	(7,480)
Impact of:		
Non-taxable income	-	(3)
Expenses not deductible for tax purposes	-	28,820
Foreign tax credit	(20,887)	(21,337)
Withholding tax charge	111,237	56,440
Income tax charge	111,237	56,440
	=====	=====

GILLANDERS HOLDINGS (MAURITIUS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS - FOR THE YEAR ENDED 31 MARCH 2016

6 INVESTMENT IN SUBSIDIARY

	2016 USD	2015 USD
<i>Unquoted investment at cost:</i>		
At beginning of the year/period	3,701,969	-
Addition during the year/period	-	3,603,000
Legal fees capitalized	-	98,969
	-----	-----
At end of the year/period	<u>3,701,969</u>	<u>3,701,969</u>

Details pertaining to the investment in subsidiary at 31 March 2016 are as follows:

Name of company	Country of incorporation	Number of shares held	% holding	Cost USD
Group Developments Limited	Malawi	1,283,574	100%	3,701,969

At 31 March 2016, the directors are of the opinion that the investment has not suffered any impairment.

7 LOAN RECEIVABLE

	2016 USD	2015 USD
<i>Group Developments Limited:</i>		
At beginning of year/period	8,407,000	-
Addition during the year/period	-	8,407,000
	-----	-----
At end of the year/period	<u>8,407,000</u>	<u>8,407,000</u>

The loan is unsecured, bears interest at 3 months LIBOR + 7% and is repayable in 8 years.

8 OTHER RECEIVABLES

	2016 USD	2015 USD
Interest receivable	12,389	13,576
Prepayments	231,275	387,629
	-----	-----
	<u>243,664</u>	<u>401,205</u>

GILLANDERS HOLDINGS (MAURITIUS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS - FOR THE YEAR ENDED 31 MARCH 2016

9 STATED CAPITAL

	Number of shares 2016	2016 USD	Number of shares 2015	2015 USD
<i>Issued and fully paid:</i>				
At beginning of year/period	10,000	10,000	-	-
Issued during the year/period	-	-	10,000	10,000
	-----	-----	-----	-----
At end of year/period	10,000	10,000	10,000	10,000
	=====	=====	=====	=====

*Rights and restrictions attached to ordinary shares:**Voting rights*

Each ordinary share shall entitle its holder to receive notice of, to attend and vote at any meeting of the Company.

Rights relating to dividends

Each ordinary share shall entitle its holder the right of an equal share in dividends as authorised by the board.

Rights relating to repayment of capital

Upon winding-up, each ordinary share shall entitle its holder the right to an equal share in the distribution of the surplus assets of the Company.

10 BORROWINGS

	2016 USD	2015 USD
<i>Axis Bank Limited, Singapore Branch:</i>		
At beginning of year/period	12,601,704	-
Addition during the year/period	-	12,601,704
Repayment during the year/period	(150,000)	-
	-----	-----
At end of the year/period	12,451,704	12,601,704
	=====	=====

The loan has been secured by Axis Bank Limited, India who has offered a standby letter of credit of USD 13,000,000 to Axis Bank Limited, Singapore Branch.

The loan bears interest at the rate of 3 months LIBOR plus 290 basis points per annum and is repayable within eight years.

GILLANDERS HOLDINGS (MAURITIUS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS - FOR YEAR ENDED 31 MARCH 2016

11 OTHER PAYABLES

	2016 USD	2015 USD
Interest payable	9,797	8,868
Amount due to parent (Note 12 (i))	4,933	1,683
Amount due to subsidiary (Note 12 (ii))	-	30
Accruals	7,880	109,349
	-----	-----
	22,610	119,930
	=====	=====

12 RELATED PARTY TRANSACTIONS

During the year under review, the Company had the following transactions with related parties. Details of the nature, volume of transactions and the balance with related parties are as follows:

	2016 USD	2015 USD
(i) <i>Amount due to parent:</i>		
<i>Gillanders Arbuthnot and Company Limited</i>		
At beginning of the year/period	1,683	-
Expenses paid on behalf of Company	-	477,655
Amount repaid during the year/period	-	(477,655)
Commission payable for the year/period	3,250	1,683
	-----	-----
At end of the year/period	4,933	1,683
	=====	=====

The amount due to parent is unsecured, interest free and repayable with one year.

(ii) <i>Amount due to subsidiary:</i>		
<i>Group Developments Limited</i>		
At beginning of the year/period	30	-
Addition during the year/period	-	30
Paid during the year/period	(30)	30
	-----	-----
At end of the year/period	-	30
	=====	=====

The amount due to parent is unsecured, interest free and repayable on demand.

(iii) <i>Remuneration to key management personnel</i>		
Directors' fees	3,000	2,500
Administrator's fees	13,700	24,000
	=====	=====

The compensation to key management personnel is provided on commercial terms and conditions.

(iv) *Loan to subsidiary*

The loan to subsidiary is disclosed in note 7.

GILLANDERS HOLDINGS (MAURITIUS) LIMITED**NOTES TO THE FINANCIAL STATEMENTS - FOR THE YEAR ENDED 31 MARCH 2016****13 GOING CONCERN**

The Company's directors have made an assessment of the Company's ability to continue as a going concern and are satisfied that the Company has the financial support of its parent to continue in business for the foreseeable future. The Company has a profit of **USD 28,009** (2015 – loss USD 106,307) and a shareholder's deficit of **USD 68,298** at 31 March 2016 (2015 – USD 96,307). Furthermore, the directors are not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. Thus, on the validity of this assumption, the financial statements have been prepared on the going concern basis.

14 PARENT AND ULTIMATE PARENT

The directors consider Gillanders Arbuthnot and Company Limited, a company incorporated in India and listed on the Calcutta Stock Exchange, Bombay Stock Exchange and National Stock Exchange of India, as its parent and ultimate parent.

15 EVENTS AFTER REPORTING DATE

There are no significant events after the reporting period which needs disclosures in or amendments to 31 March 2016 financial statements.

GILLANDERS HOLDINGS (MAURITIUS) LIMITED



ORIGINAL SIGNED ACCOUNTS 2016

FINAL ACCOUNTS

YEAR ENDED 31ST MARCH, 2016