

INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF MAHARASHTRA SEAMLESS (SINGAPORE) PTE. LTD.  
*(Incorporated in the Republic of Singapore)*

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**Report on the Financial Statements**

We have audited the accompanying financial statements of MAHARASHTRA SEAMLESS (SINGAPORE) PTE. LTD., which comprise the statement of financial position as at March 31, 2016, and the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

*Management's Responsibility for the Financial Statements*

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Cap. 50 ("the Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

*Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about 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 auditors' 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 of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

*Opinion*

In our opinion, the financial statements are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the financial position of the Company as at March 31, 2016 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

  
Natarajan & Swaminathan  
Public Accountants and Chartered Accountants Singapore

Date: June 7, 2016

# Maharashtra Seamless (Singapore) Pte. Ltd.

## Statement of Financial Position

As at March 31, 2016

	Note	<u>2016</u>	<u>2015</u>
		US\$	US\$
<b>Assets</b>			
<b>Non-current assets</b>			
Plant and equipment	3	1,717,149	1,958,042
Investment in associated company	4	1,250,000	1,250,000
Other investments	5	30,525,660	23,925,660
<b>Total non-current assets</b>		<u>33,492,809</u>	<u>27,133,702</u>
<b>Current assets</b>			
Trade receivable	6	274,500	44,488
Other receivables	7	151,084	5,197
Cash at bank	8	261,466	613,249
<b>Total current assets</b>		<u>687,050</u>	<u>662,934</u>
<b>Total assets</b>		<u><b>34,179,859</b></u>	<u><b>27,796,636</b></u>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Share capital	9	3,150,000	3,150,000
Accumulated (losses)/profits		(448,714)	74,185
<b>Total equity</b>		<u>2,701,286</u>	<u>3,224,185</u>
<b>Non-current liability</b>			
Bank loan	11	20,000,000	-
<b>Total non-current liability</b>		<u>20,000,000</u>	<u>-</u>
<b>Current liabilities</b>			
Other payables and accruals	10	11,469,473	4,551,665
Bank loans	11	-	20,000,000
Income tax payable		9,100	20,786
<b>Total current liabilities</b>		<u>11,478,573</u>	<u>24,572,451</u>
<b>Total liabilities</b>		<u>31,478,573</u>	<u>24,572,451</u>
<b>Total equity and liabilities</b>		<u><b>34,179,859</b></u>	<u><b>27,796,636</b></u>

*The annexed accounting policies and explanatory notes form an integral part of the financial statements*

# Maharashtra Seamless (Singapore) Pte. Ltd.

## Statement of Comprehensive Income

For the financial year ended March 31, 2016

	Note	<u>2016</u>	<u>2015</u>
		US\$	US\$
Revenue	12	640,500	877,500
Other income	13	3,089	-
Salaries and employee benefits	14	(12,963)	(12,047)
Depreciation of plant and equipment	3	(240,893)	(240,893)
Other operating expenses		(119,365)	(137,957)
Finance costs	15	(784,167)	(561,588)
Loss before income tax	16	(513,799)	(74,985)
Income tax expense	17	(9,100)	(44,843)
Loss after income tax		(522,899)	(119,828)
Other comprehensive income		-	-
Total comprehensive loss for the year		<u>(522,899)</u>	<u>(119,828)</u>

*The annexed accounting policies and explanatory notes form an integral part of the financial statements*

# Maharashtra Seamless (Singapore) Pte. Ltd.

## Statement of Cash Flows

For the financial year ended March 31, 2016

	<u>2016</u>	<u>2015</u>
	US\$	US\$
<b>Cash flows from operating activities</b>		
Loss before income tax	(513,799)	(74,985)
Adjustment for:		
Interest expense	784,167	561,588
Depreciation of plant and equipment	240,893	240,893
Operating profit before working capital changes	511,261	727,496
Trade receivable	(230,012)	40,183
Other receivables	(126,704)	(357)
Other payable and accruals	23,663	(11,212)
Cash generated from operations	178,208	756,110
Income tax paid	(39,969)	(24,057)
Net cash from operating activities	<u>138,239</u>	<u>732,053</u>
<b>Cash flows from investing activities</b>		
Other investments	(6,600,000)	-
Net cash used in investing activities	<u>(6,600,000)</u>	<u>-</u>
<b>Cash flows from financing activities</b>		
Other payables - holding company	244,937	-
Unsecured loan from holding company	6,500,000	-
Proceeds from bank loans	20,000,000	-
Repayment of bank loans	(20,000,000)	-
Interest paid	(634,959)	(654,990)
Net cash from/(used in) financing activities	<u>6,109,978</u>	<u>(654,990)</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>	(351,783)	77,063
Cash and cash equivalents brought forward	613,249	536,186
<b>Cash and cash equivalents carried forward</b>	<u><u>261,466</u></u>	<u><u>613,249</u></u>
Cash and cash equivalents comprise:-		
Cash at bank	261,466	613,249
	<u><u>261,466</u></u>	<u><u>613,249</u></u>

*The annexed accounting policies and explanatory notes form an integral part of the financial statements*