CFCL MAURITIUS PVT LTD

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2016

CFCL MAURITIUS PVT LTD

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2016

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CFCL MAURITIUS PVT LTD

CORPORATE INFORMATION

			Date of appointment
DIRECTORS	:	Ashish Subhash Dandekar	25 January 2011
		Dharmesh Naik	25 January 2011
		Amar Bheenick	25 January 2011
ADMINISTRATOR & CORPORATE SECRETARY	:	Virtual Secretaries Limited Level 2, MaxCity Building Remy Ollier Street Port Louis Mauritius	
REGISTERED OFFICE	:	Level 2, MaxCity Building Remy Ollier Street Port Louis Mauritius	
AUDITORS	:	Nexia Baker & Arenson Chartered Accountants 5th Floor, C&R Court 49, Labourdonnais Street Port Louis Mauritius	
BANKER	:	Barclays Bank Plc Offshore Banking Unit 3rd Floor, Barclays House 68-68A Cybercity Ebène Mauritius	

CFCL MAURITIUS PVT LTD

COMMENTARY OF THE DIRECTORS

The directors present their commentary, together with the audited financial statements of CFCL MAURITIUS PVT LTD (the "Company") for year ended 31 March 2016.

PRINCIPAL ACTIVITY

CFCL MAURITIUS PVT LTD ("the Company"), holds a Category 1 Global Business Licence under the Mauritius Companies Act 2001 since 27 January 2011. The Company is primarily involved in investment holding activities.

RESULTS

The statement of profit or loss and other comprehensive income is set out on page 7. The loss for the year ended 31 March 2016 was EURO 15,823 (2015: EURO 11,728).

The directors did not declare any dividend for the year ended 31 March 2016.

DIRECTORS

The present membership of the Board is set out on page 1.

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 statement of financial position, statement of comprehensive income and statement of 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 (IFRS) have been followed, 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' responsibilities include: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of these financial statements that are free from material misstatement, whether due to fraud and error; selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

The director confirm that they have complied with the above requirements in preparing the financial statements.

The directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe that the business will not be a going concern in the year ahead.

AUDITORS

The auditors, **Nexia, Baker & Arenson**, have expressed their willingness to continue in office.

CFCL MAURITIUS PVT LTD

CERTIFICATE FROM THE COMPANY SECRETARY UNDER SECTION 166 (d) OF THE MAURITIAN COMPANIES ACT 2001

We certify to the best of our knowledge and belief, the Company has filed with the Registrar of Companies all such returns as are required of **CFCL MAURITIUS PVT LTD** for the year ended 31 March 2016 under the Mauritian Companies Act 2001.

BRapessmad

For **Virtual Secretaries Limited**
Corporate Secretary

Level 2, MaxCity Building
Remy Ollier Street
Port Louis
Mauritius

Date: 20 MAY 2016

Nexia Baker & Arenson

5th Floor, C&R Court
49 Labourdonnais Street
Port Louis
Mauritius
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www.nexia.mu

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CFCL MAURITIUS PVT LTD

Report on the Financial Statements

We have audited the financial statements of **CFCL Mauritius Pvt Ltd** (the "Company") set out on pages 6 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 directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and in compliance with the requirements of the Mauritian Companies Act 2001, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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 auditors' 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 auditors consider internal control relevant to the Company'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 Company'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.

Nexia Baker & Arenson

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INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CFCL MAURITIUS PVT LTD

Report on the Financial Statements (continued)

Opinion

In our opinion, the financial statements set out on pages 6 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 as modified by the exemption from consolidation in the Mauritian Companies Act 2001 for companies holding a Category 1 Global Business Licence and comply with the Mauritian Companies Act 2001.

Other Matter

This report is made solely to the Company's members, as a body, in accordance with Section 205 of the Mauritian Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Report on Other Legal and Regulatory Requirements

Mauritian Companies Act 2001

We have no relationship with or interests in the Company other than in our capacity as auditors.

We have obtained all information and explanations we have required.

In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

Nexia Baker & Arenson

Nexia Baker & Arenson
Chartered Accountants

Kian-Fah K.T. Chung Chun Lam FCCA
Licensed by FRC

Date: 20 MAY 2016

CFCL MAURITIUS PVT LTD

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2016

	Notes	2016	2015
		EUR	EUR
ASSETS			
Non-current assets			
Investment in subsidiary	5	1,207,266	1,207,266
Loan receivable	6	202,015	202,015
Total non-current assets		1,409,281	1,409,281
Current assets			
Other receivables	7	6,004	5,308
Cash and cash equivalents		16,166	32,255
Total current assets		22,170	37,563
Total assets		1,431,451	1,446,844
EQUITY AND LIABILITIES			
Capital and reserves			
Stated capital	8	97,146	97,146
Accumulated losses		(84,210)	(68,387)
Total equity		12,936	28,759
Non-current liability			
Borrowings	9	202,015	202,015
Current liabilities			
Borrowings	9	1,212,876	1,212,876
Other payables	10	3,624	3,194
Total current liabilities		1,216,500	1,216,070
Total equity and liabilities		1,431,451	1,446,844

The financial statements were approved by the Board of Directors on: 20 MAY 2016
and were signed on their behalf by:

Dharmesh Naik
Director

Amar Bheenick
Director

The notes on pages 10 to 24 form an integral part of these financial statements.
Independent auditors' report on pages 4 and 5.

CFCL MAURITIUS PVT LTD

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2016

	Note	2016	2015
		EUR	EUR
Revenue			
Exchange gain		**-**	946
Expenses			
Administration fees		**5,598**	5,629
ROC fees		**261**	236
TRC renewal fees		**366**	173
Accounting fees		**2,518**	1,341
Audit fees		**4,418**	2,589
Bank charges		**443**	1,060
FSC license fees		**1,405**	1,269
Legal fees		**-**	377
Exchange loss		**814**	-
		15,823	12,674
Loss before taxation		**(15,823)**	(11,728)
Taxation	**11**	**-**	-
Loss for the year		**(15,823)**	(11,728)
Other comprehensive income		**-**	-
Total comprehensive loss for the year		**(15,823)**	(11,728)

The notes on pages 10 to 24 form an integral part of these financial statements.
Independent auditors' report on pages 4 and 5.

CFCL MAURITIUS PVT LTD

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2016

	Stated capital EUR	Accumulated losses EUR	Total EUR
At 01 April 2014	97,146	(56,659)	40,487
Total comprehensive loss for the year	-	(11,728)	(11,728)
At 31 March 2015	97,146	(68,387)	28,759
At 01 April 2015	97,146	(68,387)	28,759
Total comprehensive loss for the year	-	(15,823)	(15,823)
At 31 March 2016	**97,146**	**(84,210)**	**12,936**

The notes on pages 10 to 24 form an integral part of these financial statements.
Independent auditors' report on pages 4 and 5.

CFCL MAURITIUS PVT LTD

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2016

	2016	2015
	EUR	EUR
Cash flows from operating activities		
Loss for the year	**(15,823)**	(11,728)
Changes in working capital:		
Increase in other receivables	**(696)**	(826)
Increase in other payables	**430**	977
Net cash used in operating activities	**(16,089)**	(11,577)
Cash flows from financing activities		
Repayment of loan given to subsidiary	**-**	1,423,147
Loan repaid to shareholder	**-**	(1,398,013)
Net cash generated from financing activities	**-**	25,134
Net movement in cash and cash equivalents	**(16,089)**	13,557
Cash and cash equivalents at beginning of the year	**32,255**	18,698
Cash and cash equivalents at end of the year	**16,166**	32,255

The notes on pages 10 to 24 form an integral part of these financial statements.
Independent auditors' report on pages 4 and 5.

1. General information

CFCL MAURITIUS PVT LTD ("the Company") was incorporated in Mauritius under the Mauritian Companies Act 2001 on 25 January 2011, a private Company with limited liability by shares. It holds a Global Business Licence 1 issued by the Financial Services Commission as from 27 January 2011.

The address of the Company's registered office is at Level 2 Max City Building, Remy Ollier Street, Port Louis, Mauritius. The main activity of the Company is to act as an investment holding Company.

2. Adoption of new and revised International Financial Reporting Standards ("IFRS")

Amendments to published Standards and Interpretations effective in the reporting period

Defined Benefit Plans: Employee Contributions (Amendments to IAS 19) applies to contributions from employees or third parties to defined benefit plans and clarifies the treatment of such contributions. The amendment distinguishes between contributions that are linked to service only in the period in which they arise and those linked to service in more than one period. The objective of the amendment is to simplify the accounting for contributions that are independent of the number of years of employee service, for example employee contributions that are calculated according to a fixed percentage of salary.Entities with plans that require contributions that vary with service will be required to recognise the benefit of those contributions over employee's working lives. The amendment has no impact on the Company's financial statements.

Annual Improvements 2010-2012 Cycle

IFRS 2, 'Share based payments' amendment is amended to clarify the definition of a 'vesting condition' and separately defines 'performance condition' and 'service condition'. The amendment has no impact on the Company's financial statements.

IFRS 3, 'Business combinations' is amended to clarify that an obligation to pay contingent consideration which meets the definition of a financial instrument is classified as a financial liability or equity, on the basis of the definitions in IAS 32, 'Financial instruments: Presentation'. It also clarifies that all non-equity contingent consideration is measured at fair value at each reporting date, with changes in value recognised in profit and loss. The amendment has no impact on the Company's financial statements.

IFRS 8, 'Operating segments' is amended to require disclosure of the judgements made by management in aggregating operating segments. It is also amended to require a reconciliation of segment assets to the entity's assets when segment assets are reported. The amendment has no impact on the Company's financial statements.

2. Adoption of new and revised International Financial Reporting Standards ("IFRS") (continued)

Annual Improvements 2010-2012 Cycle (continued)

IFRS 13 (Amendment), 'Fair Value Measurement' clarifies in the Basis for Conclusions that short-term receivables and payables with no stated interest rates can be measured at invoice amounts when the effect of discounting is immaterial. The amendment has no impact on the Company's financial statements.

IAS 16,'Property, plant and equipment' and IAS 38,'Intangible are amended to clarify how the gross carrying amount and the accumulated depreciation are treated where an entity uses the revaluation model. The amendment has no impact on the Company's financial statements.

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 no impact on the Company's financial statements.

IAS 38, 'Intangible Assets' is amended to require an entity to take into account accumulated impairment losses when adjusting the amortisation on revaluation. The amendment has no impact on the Company's financial statements.

Annual Improvements 2011-2013 Cycle

IFRS 1, 'First-time Adoption of International Financial Reporting Standards' is amended to clarify in the Basis for Conclusions that an entity may choose to apply either a current standard or a new standard that is not yet mandatory, but permits early application, provided either standard is applied consistently throughout the periods presented in the entity's first IFRS financial statements. The amendment has no impact on the Company's financial statements, since the Company is an existing IFRS preparer.

IFRS 3,'Business combinations' is amended to clarify that IFRS 3 does not apply to the accounting for the formation of any joint venture under IFRS 11. The amendment has no impact on the Company's financial statements.

IFRS 13,'Fair value measurement' is amended to clarify that the portfolio exception in IFRS 13 applies to all contracts (including non-financial contracts) within the scope of IAS 39 or IFRS 9. The amendment has no impact on the Company's financial statements.

IAS 40,'Investment property' is amended to clarify that IAS 40 and IFRS 3 are not mutually exclusive. IAS 40 assists users to distinguish between investment property and owner-occupied property. Preparers also need to consider the guidance in IFRS 3 to determine whether the acquisition of an investment property is a business combination. The amendment has no impact on the Company's financial statements.

CFCL MAURITIUS PVT LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2016

2. Adoption of new and revised International Financial Reporting Standards ("IFRS") (continued)

Standards, Amendments to published Standards and Interpretations issued but not yet effective

Certain standards, amendments to published standards and interpretations have been issued that are mandatory for accounting periods beginning on or after 1 January 2016 or later periods, but which the Company has not early adopted.

At the reporting date of these financial statements, the following were in issue but not yet effective:

IFRS 9 Financial Instruments
Defined Benefit Plans: Employee Contributions (Amendments to IAS 19)
IFRS 14 Regulatory Deferral Accounts
Accounting for Acquisitions of Interests in Joint Operations (Amendments to IFRS 11)
Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to IAS 16 and IAS 38)
IFRS 15 Revenue from Contract with Customers
Agriculture: Bearer Plants (Amendments to IAS 16 and IAS 41)
Equity Method in Separate Financial Statements (Amendments to IAS 27)
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)
Annual Improvements to IFRSs 2012-2014 Cycle
Investment Entities: Applying the Consolidation Exception (Amendments to IFRS 10, IFRS 12 and IAS 28)
Disclosure Initiative (Amendments to IAS 1)

Where relevant, the Company is still evaluating the effect of these Standards, amendments to published Standards and Interpretations issued but not yet effective, on the presentation of its financial statements.

3. Significant accounting policies

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

(a) Basis of preparation

The financial statements of the Company comply with the Mauritian Companies Act 2001 and have been prepared in accordance with International Financial Reporting Standards (IFRS) as modified by the exemption from consolidation in the Mauritian Companies Act 2001 for companies holding a Category 1 Global Business Licence and comply with the Mauritian Companies Act 2001.

The financial statements have been prepared under the historical cost convention.

3. Significant accounting policies (continued)

(b) Foreign currencies

Functional and Presentation currency

The functional currency of the Company has been determined by reference to, inter alia: the primary economic environment in which the Company operates; the geographical location whose competitive forces mainly determine the sales prices of the Company's goods and services; the currency that mainly influences the determination of costs of providing goods and services; the currency in which funds from financing activities are generated; and, the currency in which proceeds from operating activities are usually retained. For the purpose of the financial statements the results and financial position of the Company have been expressed in EUR which is the functional currency of the Company and a requirement of the Financial Services Act 2007 which requires that the Company's business or other activity is carried out in a currency other than the Mauritian rupee.

Transactions and balances

Foreign currency transactions are accounted for at the exchange rates prevailing at the date of the transactions. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. Such balances are translated at year-end exchange rates. Non-monetary assets which are denominated in a currency other than the reporting currency are translated at exchange rates prevailing at the date these assets were recognised in the financial statements.

(c) Investment in subsidiary

A subsidiary is an entity in which the Company has an interest of more than one half of the voting rights or otherwise has power to govern the financial and operating policies. The existence and effect of potential voting rights that are presently convertible are considered when assessing whether the Company controls another entity.

The investment in the subsidiary is shown at cost. Where an indication of impairment exists, the recoverable amount of each investment is assessed. Where the carrying amount is greater than the estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is charged to the statement of comprehensive income. On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the statement of profit or loss and other comprehensive income.

Consolidated financial statements

The Company has taken advantage of the exemption provided by the Mauritian Companies Act 2001, allowing a wholly owned or virtually owned parent company holding a Category 1 Global Business License, not to present consolidated financial statements. The financials are, therefore, separate statements which contain information about the subsidiary, as per note 5, as an individual company and do not contain consolidated financial information as the parent of a group.

3. Significant accounting policies (continued)

(d) Impairment of financial assets

The Company assesses at each statement of financial position date whether a financial asset or group of financial assets is impaired. If there is objective evidence that an impairment loss on loans and receivables 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 statement of cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The carrying amount of the asset shall be reduced either directly or through use of an allowance amount. The amount of the loss shall be recognised in profit or loss.

(e) Financial instruments

Financial assets and liabilities are recognised on the Company's statement of financial position when the Company has become a party to the contractual provisions of the instrument.

The Company's accounting policies in respect of the main financial instruments are set out below:

(i) Other receivables

Other receivables are stated at their nominal value.

(ii) Loan receivable

Loan receivable is stated at its nominal value as reduced by appropriate allowances for estimated irrecoverable amount.

(iii) Other payables

Trade and other payables are stated at their nominal value.

(iv) Borrowings

Borrowings are recognised at issue proceeds net of transaction cost incurred.

(v) Equity instruments

Equity instruments are stated at their nominal value.

(vi) Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents comprise cash at bank balances. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

CFCL MAURITIUS PVT LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2016

3. Significant accounting policies (continued)

(f) Derecognition of financial assets and liabilities

(i) Financial assets

A financial asset (or, where applicable a part of financial asset or part of a group of similar financial assets) is derecognised where:

- the right to receive cash flows from the assets has expired;
- the Company retains the right to receive statement cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement; or
- the Company has transferred its right to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Company has transferred its right to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Company's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

(ii) Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When an existing liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

(g) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

(h) Expenses

Expenses are accounted for on an accrual basis.

3. Significant accounting policies (continued)

(i) Related parties

For the purposes of these financial statements, parties are considered to be related to the Company if they have the ability, directly or indirectly, to control the Company or exercise significant influence over the Company in making financial and operating decisions, or vice versa, or where the Company is subject to common control or common significant influence. Related parties may be individuals or other entities.

(j) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to any provision is presented in the statement of comprehensive income net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a borrowing cost.

(k) Taxation

Income tax on profit or loss for the year comprises current and deferred tax.

Current tax is the expected tax payable on the taxable income for the year, using the tax rates enacted at the reporting date and any adjustment to tax payable in respect of prior years.

Deferred tax is provided using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted at the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profit will be available against which the assets can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

4. Critical accounting jugements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

4. Critical accounting jugements, estimates and assumptions (continued)

Judgements

In the process of applying the Company's accounting policies, management has not made any significant judgement which could have some significant effect on the amounts recognised in the financial statements.

Income tax

The Company is subject to income taxes in Mauritius. Judgement is required in determining the provision for income taxes. There are transactions and calculations for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the estimated amounts that were initially recorded, such differences will impact the income tax and deferred income tax provisions in the period in which such determination is made.

Investment in Subsidiary

At each reporting date, management assesses if the Company's investment in subsidiary has suffered any impairment in accordance with the accounting policy stated in note 3 (c). Based on the assumptions and judgement made by management, impairment charge is recognised for the Company's investment in subsidiary.

CFCL MAURITIUS PVT LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2016

5. Investment in subsidiary

	2016	2015
	EUR	EUR
Unquoted		
At 31 March	**1,207,266**	1,207,266

Details of the investment are as follows:

Name of investee company	Country of incorporation	Types of shares	Number of shares	% held	At cost
					EUR
CFS EUROPE S.P.A	Italy	Ordinary	2,000,000	100%	**1,207,266**

The company has adopted the policy of measuring its investment at cost, the directors are of the opinion that the carrying value of investment is fairly stated at cost and that it has not suffered any impairment in value.

As per resolution dated 19 November 2014 it was noted that the Export-Import Bank of India ("EXIM") had granted a working capital loan of Euro 2.25M through its Overseas Investment Finance Programme and a loan of Euro 1.98M for the financing of the capital expenditure for a project to CFS Europe S.P.A, the subsidiary of the Company. In accordance with the conditions of the loan, Exim bank has taken as pledge the shares of the Company held in the subsidiary CFS Europe SPA. Furthermore Exim bank has also taken as pledge the 132,200 ordinary shares held by Camlin Fine Sciences Ltd in the Company. The shares pledge agreement between Camlin Fine Sciences Ltd, Exim Bank and the Company have been signed on 24 February 2015.

6. Loan receivable

	2016	2015
	EUR	EUR
Loan due from related party (note 13)	**202,015**	202,015

The loan due from CFS Europe S.P.A is interest free, unsecured and repayable after more than one year.

7. Other receivables

	2016	2015
	EUR	EUR
Prepayments	**6,004**	5,308

8. Stated capital

	2016	2015
	EUR	EUR
132,200 ordinary shares of USD 1 each	**97,146**	97,146

Stated capital comprises the total issued and paid up shares as at the reporting date.

9. Borrowings

	2016	2015
	EUR	EUR
Non-current liability :		
Loan due to related party	**202,015**	202,015
Current liability :		
Loan due to related party	**1,212,876**	1,212,876
Total (note 13)	**1,414,891**	1,414,891

Borrowings represent an amount due to Camlin Fine Sciences Ltd which is unsecured and interest free.

10. Other payables

	2016	2015
	EUR	EUR
Accruals	**3,624**	3,194

11. Taxation

Income Tax

The Company was granted a tax residence certificate on 21 February 2012 under the Income Tax Act 1995. The Company is a tax incentive Company for Income Tax purposes and is liable to Income Tax on assessable income in Mauritius at the rate of 15 %. It is entitled to a deduction in respect of the foreign tax credit of 80% pursuant to Income Tax regulations.

As at 31 March 2016, the Company has an accumulated losses of EUR 58,100 (2015: EUR 42,277) and is therefore not liable to income tax. Interest income from banks in Mauritius is exempt from tax and there is no tax on capital gains in Mauritius.

Deferred tax assets amounting to EUR 1,743 (2015: EUR 1,268) have not been recognised in the financial statements in respect of tax losses amounting to EUR 58,100 (2015: EUR 42,277)

12. Financial instruments and capital management

12.1 Financial risk factors

Overview

The Company has exposure to the following risks from its use of financial instruments:

(i) Credit risk;
(ii) Liquidity risk;
(iii) Market risk;
(iv) Interest rate risk;
(v) Currency risk; and

Risk management framework

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 risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

(i) Credit risk

The Company's credit risk is primarily attributable to its financial asset. Credit risk represents the potential loss that the Company would incur if counter party fails to perform pursuant to the terms of its obligation to the Company. The maximum exposure to credit risk is represented by the carrying amount of the financial asset in the statement of financial position. The Company does not hold any collateral as securitiy.

(ii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to manage liquidity is to ensure, as far as possible that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damages to the Company's reputation.

12. Financial instruments and capital management (continued)

12.1 Financial risk factors (continued)

(ii) Liquidity risk (continued)

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

	2016			2015		
	Due between 1-5 years	**Due for less than 1 year**	**Total**	Due between 1-5 years	Due for less than 1 year	Total
	EUR	**EUR**	**EUR**	EUR	EUR	EUR
Other payables	**-**	**3,624**	**3,624**	-	3,194	3,194
Borrowings	**202,015**	**1,212,876**	**1,414,891**	202,015	1,212,876	1,414,891
	202,015	**1,216,500**	**1,418,515**	202,015	1,216,070	1,418,085

(iii) 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 holdings of financial instruments. The objective market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(iv) Interest rate risk

The majority of the Company's financial assets and liabilities are non-interest bearing and as a result the company is not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates. The Company's only interest-bearing financial instruments at the end of reporting date is its cash and cash equivalent, hence it was not significant exposed to interest rate risk.

(v) Currency risk

The Company has financial assets and liabilities which are denominated in EUR. Consequently, the Company is exposed to the risk that the exchange rate of the EUR relative to the USD may change in a manner which has a material effect on the reported values of the Company's assets and liabilities which are denominated in EUR.

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FOR THE YEAR ENDED 31 MARCH 2016

12. Financial instruments and capital management (continued)

12.1 Financial risk factors (continued)

(v) Currency risk (continued)

Foreign currency sensitivity analysis

The Company is mainly exposed to USD.

The following table details the Company's sensitivity to a 10% increase and decrease in the EUR against the USD. 10% is the sensitivity rate used when the reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year end for a 10% change in the foreign currency rates. A negative number below indicates a decrease in profit where the EUR strengthens 10% against the USD. For a 10% weakening of the EUR against the USD, there would be an equal and opposite impact on net assets, and the balances below would be positive.

Impact of a 10% increase/(decrease) of the against the USD.

	2016	2015
Currency	**EUR**	EUR
USD	**1,261**	1,261

Currency profile

The financial instruments are disclosed in their respective currencies below:

	2016		2015	
	Financial Assets	**Financial Liabilities**	Financial Assets	Financial Liabilities
	EUR	**EUR**	EUR	EUR
EUR	**205,537**	**1,414,891**	205,537	1,414,891
United States Dollar	**12,644**	**3,624**	28,733	3,194
	218,181	**1,418,515**	234,270	1,418,085

Prepayments amounting to EUR 6,004 (2015: EUR 5,308) have not been included in the above financial assets.

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12. Financial instruments and capital management (continued)

12.2 Fair values

The carrying amounts of financial assets and financial liabilities approximate their fair values.

12.3 Capital risk management

The Company's objectives when managing capital are:

- to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and

- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholder and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to monitor and adjust the capital structure, the Company may adjust the amount of dividends paid to shareholder or issue new shares. In the event that the Company requires additional capital, the immediate parent will provide the appropriate financial support to the Company.

13. Related party transactions

During the year ended 31 March 2016, the Company transacted with a related party. The nature, volume and type of transactions with the related party are as follows:

Name of related party	Nature of relationship	Type of transactions	Movement during the year	2016	2015
				EUR	EUR
Transactions during the period					
Camlin Fine Sciences Limited	Shareholder	Borrowings	-	**1,414,891**	1,414,891
CFS EUROPE S.P.A	Subsidiary company	Loan receivable	-	**202,015**	202,015

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FOR THE YEAR ENDED 31 MARCH 2016

14. Holding company

The Directors regard Camlin Fine Sciences Limited, incorporated in India as the holding company.

15. Events after the reporting period

There have been no material events after the reporting date which would require disclosure or adjustment to the financial statements for the year ended 31 March 2016.