Belle Terre Realty Limited

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2016

Belle Terre Realty Limited

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

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Belle Terre Realty Limited

COMPANY INFORMATION

			Date of appointment
DIRECTORS	:	Abdool Fareed Soreefan	4 June 2008
		Mitrajeet D. Maraye	4 June 2008
		Gaurav Goel	25 July 2008
		Satyapal Jain	25 July 2008

REGISTERED OFFICE : IFS Court
Bank Street
TwentyEight
Cybercity
Ebene 72201
Mauritius

ADMINISTRATOR , SECRETARY AND MAURITIAN TAX AGENT : International Financial Services Limited
IFS Court
Bank Street
TwentyEight
Cybercity
Ebene 72201
Mauritius

AUDITORS : Nexia Baker & Arenson
Chartered Accountants
5th Floor, C&R Court
Labourdonnais Street
Port Louis
Mauritius

BANKER : SBI International (Mauritius) Limited
7th Floor, Wing 2
SBI Tower
Mindspace Building
Ebene

Belle Terre Realty Limited

COMMENTARY OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2016

The directors present the audited financial statements of **Belle Terre Realty Limited** (the "Company") for the year ended 31 March 2016.

PRINCIPAL ACTIVITY

The principal activity of the Company is investment holding.

RESULTS

The results for the year are shown in the statement of profit or loss and other comprehensive income and related notes.

DIRECTORS

The present membership of the Board is set out on page 2.

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 applicable accounting standards 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 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 Mauritius 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.

AUDITORS

The auditors, **Nexia Baker & Arenson**, have indicated their willingness to continue in office until the next Annual Meeting.

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

We certify to the best of our knowledge and belief that we have filed with the Registrar of Companies all such returns as are required of **Belle Terre Realty Limited** under the Mauritius Companies Act 2001 during the year ended 31 March 2016.

…………………………………………….….

for **International Financial Services Limited**
Secretary

Registered Office:

IFS Court
Bank Street
TwentyEight
Cybercity
Ebene 72201
Mauritius

Date: **13 April 2016**

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF Belle Terre Realty Limited

Report on the Financial Statements

We have audited the financial statements of **Belle Terre Realty Limited** (the "Company") set out on pages 7 to 25, which comprise the statement of financial position as 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 Mauritius 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 qualified audit opinion.

Basis of Qualified Opinion

As stated in Note 6 to the financial statements, the Company accounted its investment in associated company at cost, which is contrary to the requirements of International Accounting Standard 28 – Investments in Associates and Joint Ventures, which stipulates that a company should account investment in associated company using equity method of accounting. In our opinion, for a proper understanding of the Company's state of affairs, equity method of accounting should have been used as required by the International Accounting Standard 28.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF Belle Terre Realty Limited

Report on the Financial Statements (continued)

Qualified opinion arising for failure to use equity method of accounting

In our opinion, except for any adjustments that might be required had the Company accounted its investment in associated company using the equity method of accounting, the financial statements set out on pages 7 to 25 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 Mauritius Companies Act 2001 for companies holding a Category 1 Global Business Licence and comply with the Mauritius Companies Act 2001.

Other Matter

This report, including the opinion, has been prepared for and only for the Company's members in accordance with Section 205 of the Mauritius 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.

Report on Other Legal and Regulatory Requirements

Mauritius 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
Chartered Accountants

Ouma Shankar Ochit FCCA
Licensed by FRC

Date:………………….

Belle Terre Realty Limited

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2016

	Notes	2016	2015
		USD	USD
ASSETS			
Non-current assets			
Investment in subsidiary company	5	**30,654**	30,654
Investment in associated company	6	**20,436**	20,436
Advances to investee companies	7	**22,591,764**	22,254,564
		22,642,854	22,305,654
Current assets			
Prepayments		**1,625**	1,625
Cash and cash equivalents		**10,389**	165,400
		12,014	167,025
Total assets		**22,654,868**	22,472,679
EQUITY AND LIABILITY			
Capital and reserves			
Stated capital	8	**22,784,233**	22,584,233
Revenue deficit		**(133,165)**	(115,354)
		22,651,068	22,468,879
Current liability			
Accruals		**3,800**	3,800
Total equity and liability		**22,654,868**	22,472,679

Approved by the Board on **13 April 2016** and signed on its behalf by:

....

Director **Director**

The notes on pages 11 to 25 form an integral part of these financial statements.
The auditors' report is on pages 5 and 6.

Belle Terre Realty Limited

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

	Note	2016	2015
		USD	USD
INCOME			
Interest		**30**	-
EXPENSES			
Licence fee		**2,300**	2,300
Professional fees		**11,311**	8,768
Audit fee		**2,300**	2,300
Bank charges		**1,930**	1,550
		17,841	14,918
OPERATING LOSS FOR THE YEAR		**(17,811)**	(14,918)
Taxation	9	**-**	-
LOSS FOR THE YEAR		**(17,811)**	(14,918)
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss		**-**	-
Items that may be classified subsequently to profit or loss		**-**	-
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		**(17,811)**	(14,918)

The notes on pages 11 to 25 form an integral part of these financial statements.
The auditors’ report is on pages 5 and 6.

Belle Terre Realty Limited

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

	Stated capital USD	Revenue deficit USD	Total USD
At 1 April 2014	22,584,233	(100,436)	22,483,797
Total comprehensive loss for the year	-	(14,918)	(14,918)
At 31 March 2015	22,584,233	(115,354)	22,468,879
Issue of shares during the year	200,000	-	200,000
Total comprehensive loss for the year	-	(17,811)	(17,811)
At 31 March 2016	**22,784,233**	**(133,165)**	**22,651,068**

The notes on pages 11 to 25 form an integral part of these financial statements.
The auditors' report is on pages 5 and 6.

Belle Terre Realty Limited

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2016

	Notes	2016	2015
		USD	USD
Cash flows from operating activities			
Operating loss for the year		**(17,811)**	(14,918)
Operating loss before working capital changes		**(17,811)**	(14,918)
Decrease in accruals		**-**	(300)
Net cash used in operating activities		**(17,811)**	(15,218)
Cash flows from investing activity			
Advance to investee company	11	**(337,200)**	(100,000)
Net cash used in investing activity		**(337,200)**	(100,000)
Cash flows from financing activity			
Proceeds from issue of shares	8	**200,000**	-
Net cash from financing activity		**200,000**	-
Net decrease in cash and cash equivalents		**(155,011)**	(115,218)
Cash and cash equivalents at beginning of the year		**165,400**	280,618
Cash and cash equivalents at end of the year		**10,389**	165,400

The notes on pages 11 to 25 form an integral part of these financial statements.
The auditors' report is on pages 5 and 6.

1. GENERAL INFORMATION

The Company was incorporated in Mauritius on 4 June 2008 as a private company limited by shares. The Company holds a Category 1 Global Business Licence issued by the Financial Services Commission and has its registered office at IFS Court, Bank Street, TwentyEight, Cybercity, Ebene 72201, Mauritius.

The principal activity of the Company is to act as investment holding company.

The financial statements of the Company are presented in United States Dollars (USD).

2. BASIS OF PREPARATION

(a) *Statement of compliance*

The financial statements are prepared in accordance with and comply with International Financial Reporting Standards ("IFRS") except for the requirement to prepare consolidated financial statements in compliance with requirements of the Mauritius Companies Act applicable for a company holding a category 1 Global Business Licence and non compliance with IAS 28 – Investment in Associates and Joint Ventures.

(b) *Basis of measurement*

The financial statements have been prepared on a historical cost basis except for financial assets and liabilities which are measured at fair value.

(i) *Functional and presentation currency*

The Company's functional and presentation currency is USD and all values are rounded to the nearest Dollar. USD is the currency of the primary economic environment in which it operates and the Company's performance is evaluated and its liquidity is managed in USD.

(ii) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at year-end exchange rates and differences in exchange are accounted for in the statement of profit or loss and other comprehensive income.

(c) *Use of estimates and judgement*

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the end of the reporting period and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

2. BASIS OF PREPARATION (CONTINUED)

(c) *Use of estimates and judgement (continued)*

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimate is revised and in any future period affected.

(d) *Going concern*

The Company's management has made an assessment of the Company's ability to continue as a going concern and is satisfied that the Company has the resources to continue in business for the foreseeable future. Furthermore, the management is 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 a going concern basis.

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Amendments to IFRSs that are mandatorily effective for the year ending 31 December 2015

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.*

(b) Annual Improvements to IFRSs 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 statement of profit or loss and other comprehensive income. *The amendment has no impact on the Company's financial statements.*

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Annual Improvements to IFRSs 2010-2012 Cycle (continued)

- 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.*

- 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.*

(c) 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 period 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.*

Belle Terre Realty Limited

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

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3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Annual Improvements 2011-2013 Cycle (continued)

- 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.*

(d) 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 end of the reporting period, 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.

Belle Terre Realty Limited

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

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3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Investment in subsidiary company

Subsidiary undertakings are those entities in which the Company has an interest of more than one half of the voting rights or otherwise has power to exercise control over the operations.

Investment in subsidiary company is shown at cost. Where an indication of impairment exists, the recoverable amount of the 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 profit or loss and other 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.

(f) Investment in associated company

Associates are those entities in which the Company has significant influence, but not control, over the financial and operating policies. Significant influence is presumed to exist when the Company holds between 20 and 50 percent of the voting power of another entity. The investment has been stated at cost as the directors consider that the fair value approximates at least the cost.

(g) Cash and cash equivalents

Cash comprises of currency and current deposits with banks. 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 and are held for the purpose of meeting short term cash commitments rather than investment or other purpose.

(h) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are approximately equal to their fair values.

(i) Financial instruments

Financial instruments carried on the statement of financial position include advances to investee companies, cash and cash equivalents and accruals. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

Belle Terre Realty Limited

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Taxation

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in the statement of profit or loss and other comprehensive income except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at end of each reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(k) Related parties

Related parties are individuals and companies where the individual or company has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Payables

Payables are stated at their nominal value.

(m) Revenue recognition

Interest income is recognised on a time proportion basis unless collectibility is in doubt.

(n) Expense recognition

All expenses are accounted for in the statement of profit or loss and other comprehensive income on the accruals basis.

(o) Stated capital

Ordinary shares and optionally convertible preference shares are classified as equity.

(p) 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 embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. At time of effective payment, the provision is deducted from the corresponding expenses.

(q) Impairment

At end of each reporting period, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is recognised for the amount by which the asset’s carrying amount exceeds its recoverable amount. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Critical accounting judgements in applying the Company's accounting policies

In the process of applying the Company’s accounting policies, which are described in Note 3, the directors have made the following judgements that have the most significant effect on the amounts recognised in the financial statements.

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 (b), the directors have considered those factors therein and have determined that the functional currency of the Company is the United States Dollar.

5. INVESTMENT IN SUBSIDIARY COMPANY

	2016	2015
	USD	USD
At beginning and end of the year	**30,654**	30,654

The details of the investment in subsidiary company as at 31 March 2016 are as follows:

Name of subsidiary company	**Country of incorporation**	**Number and type of shares**	**% Holding**	**Cost**
				USD
Oasis Holding FZC	United Arab Emirates	75 equity shares of AED 1,500 each	75%	**30,654**

Oasis Holding FZC is engaged in investment of own financial resources and has incurred expenses for plot of land and development thereof for construction of labour accommodation.

The directors are of the opinion that there is no impairment on the value of the investment at 31 March 2016 and that the fair value approximates at least its cost.

No consolidated accounts have been prepared as the directors of the Company have taken advantage of the exemption under the Mauritius Companies Act 2001, which exempts a company holding a Global Business Licence 1 from preparing consolidated financial statements when it is a wholly owned or a virtually wholly owned subsidiary of any company.

6. INVESTMENT IN ASSOCIATED COMPANY

	2016	2015
	USD	USD
At beginning and end of the year	**20,436**	20,436

The details of the investment in associated company as at 31 March 2016 are as follows:

Name of associated company	**Country of incorporation**	**Number and type of shares**	**% holding**	**Cost**
				USD
Searock Developers FZC	United Arab Emirates	50 equity shares of AED 1,500 each	50%	**20,436**

Searock Developers FZC is engaged in Real Estate Development and related activities.

The investment in associated company has been valued at cost.

7. ADVANCES TO INVESTEE COMPANIES

	2016	2015
	USD	USD
At beginning of the year	**22,254,564**	22,154,564
Advances made during the year	**337,200**	100,000
At end of the year (see note 11)	**22,591,764**	22,254,564

The advances to investee companies are unsecured, interest free and are expected to be settled in cash after more than one year. During the year under review, an advance of USD337,200 (2015: USD100,000) was made to Oasis Holding FZC for the development of labour camps on plot purchased in Al Khawaneej in 2008.

8. STATED CAPITAL

	2016	2015
	USD	USD
Issued and fully paid		
Ordinary shares of USD1 each		
At beginning and end of the year	**9,933**	9,933
Optionally convertible preference shares of USD1 each		
At start of the year	**22,574,300**	22,574,300
Issue of shares during the year	**200,000**	-
At end of the year	**22,774,300**	22,574,300
Total	**22,784,233**	22,584,233

Ordinary shares are non-redeemable shares and have right to distribution. Holders of the ordinary shares have the right to vote on all matters submitted to shareholders except those requiring approval of the optionally convertible preference shareholders.

Optionally convertible preference shares ("OCPS") are redeemable at par by the Company to its holders and are not to be redeemed below its issue price. The OCPS can be converted into ordinary shares at the option of its holder as well as at the option of the Company at any time after issue of OCPS. The OCPS can be converted within 10 years in the ratio of one OCPS for one ordinary share. The OCPS do not have any voting rights at shareholders' meetings of the Company except on matters affecting their rights. The OCPS have priority for distribution over ordinary shares on winding up.

9. TAXATION

Income tax

The Company is under current laws and regulations, liable to pay income tax on its net income at a rate of 15%. The Company is, however, entitled to a tax credit equivalent to the higher of actual foreign tax suffered or 80% of Mauritius tax payable in respect of its foreign source income tax thus reducing its maximum effective tax rate to 3%.

The Company has received a Tax Residence Certificate from the Mauritius Revenue Authority which entitles it to certain reliefs pursuant to the treaty concluded between Mauritius and India for the avoidance of double taxation. The tax residence certification is renewable on an annual basis, subject to the tax residency conditions being satisfied.

No Mauritian capital gain tax is payable on profits arising from sale of securities, and any dividends and redemption proceeds paid by the Company to its shareholders will be exempt in Mauritius from any withholding tax.

9. TAXATION (CONTINUED)

At 31 March 2016, the Company had accumulated tax losses of **USD72,800** (2015: USD73,186) and, therefore, no provision for income tax has been made.

Deferred tax

A deferred tax asset of **USD2,184** (2015: USD2,196) has not been recognised in respect of the tax losses carried forward as the directors consider that it is not probable that future taxable profit will be available against which the unused tax losses can be utilised.

The reconciliation between the actual tax expense and the tax calculated at the applicable rate of 15% for the year under review is as follows:

	2016	2015
	USD	USD
Operating loss for the year	**(17,811)**	(14,918)
Tax at the rate of 15%	**(2,672)**	(2,238)
Tax effect of:		
Unauthorised deduction	**(8,248)**	(8,740)
Tax credit of 80%	**8,736**	8,782
Deferred tax not recognised	**2,184**	2,196
Tax expense	**-**	-

10. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS

The Company is exposed to various types of risks that are associated with the financial instruments. The most important types of financial risk to which the Company is exposed are market risk, credit risk and liquidity risk.

The nature and extent of the financial instruments outstanding at end of the reporting period and the risk management policies employed by the Company are discussed below.

(a) Market risk

Market risk embodies the potential for both loss and gains and includes currency risk, interest rate risk and price risk. The Company's market risk is managed by the Company in accordance with policies and procedures in place.

(i) Currency risk

The Company may enter into transactions denominated in currencies other than its functional currency. Consequently, the Company is exposed to risks that the exchange rate of its currency relative to other foreign currencies may change in a manner that has an adverse effect on the value of that portion of the Company's assets or liabilities denominated in currencies other than the USD.

10. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

(a) Market risk (continued)

(i) Currency risk (continued)

Currency profile

The Company's total net exposure to fluctuations in foreign currency exchange rates at the end of the reporting period was as follows:

	2016		2015	
	Financial assets	**Financial liabilities**	Financial assets	Financial liabilities
	USD	**USD**	USD	USD
Dirhams	**22,591,764**	**-**	22,254,564	-
United States Dollars	**10,389**	**3,800**	165,400	3,800
	22,602,153	**3,800**	22,419,964	3,800

Sensitivity analysis

The following table details the Company's sensitivity to a 5% increase and decrease in Dirhams against the USD. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit and other equity where the Dirhams strengthens 5% against the USD. For a 5% weakening of Dirhams against the USD, there would be an equal and opposite impact on the profit and other equity, and the balances below would be negative.

	Increase /(decrease) in foreign exchange rate	**Effect on equity**	
		2016	2015
		USD	USD
Depreciation of USD in relation to Dirhams	**+5%**	**(1,075,798)**	(1,059,741)
Appreciation of USD in relation to Dirhams	**-5%**	**1,189,040**	1,171,293

10. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

(a) Market risk (continued)

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company's financial assets (except bank deposits) and liabilities are non-interest-bearing. As such, the Company is not subject to significant risk due to fluctuations in the prevailing levels of the market interest rates. Interest income from bank deposits may fluctuate in amount, in particular due to changes in the interest rates. However, the interest rate risk of the Company was insignificant on its cash at bank as at 31 March 2016.

(iii) Price risk

Price risk is the risk that the value of the instrument will fluctuate as a result of changes in market prices, whether caused by factors specific to the investment or all factors affecting all instruments traded in the market.

The Company is not exposed to price risk as the shares of the investee companies are not quoted.

(b) Credit risk

Credit risk represents the potential loss that the Company would incur if counter parties fail to perform pursuant to the terms of their obligations to the Company. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

The maximum exposure of financial assets to credit risk for the year is as follows:

	2016	2015
	USD	USD
Advances to investee companies	**22,591,764**	22,254,564
Cash and cash equivalents	**10,389**	165,400
	22,602,153	22,419,964

(c) 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 managing 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 damage to the Company's reputation.

10. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

(c) Liquidity risk (continued)

The following are the contractual maturities of financial liabilities:

	Less than one year USD	**Between 1 and 5 years USD**
At 31 March 2016		
Accruals	**3,800**	**-**
At 31 March 2015		
Accruals	3,800	-

(d) Capital risk management

The Company's primary objectives when managing capital are to safeguard the Company's ability to continue as a going concern.

The Company defines "capital" as including all components of equity.

The Company's capital structure is regularly reviewed and managed with due regard to the capital management practices of the Company. Adjustments are made to the capital structure in light of changes in economic conditions affecting the Company, to the extent that these do not conflict with the directors' fiduciary duties towards the Company or the requirements of local regulation.

The Company was not subject to externally imposed capital requirements during the year under review.

11. RELATED PARTY TRANSACTIONS

The following transactions were carried out with related parties during the year ended 31 March:

			Volume	**Balance**	
			2016	**2016**	2015
Related parties	**Relationship**	**Nature of transactions**	**USD**	**USD**	USD
Oasis Holding FZC	Subsidiary company	Amount advanced	**337,200**	**6,937,275**	6,600,075
Searock Developers FZC	Associated company	Amount advanced	**-**	**15,654,489**	15,654,489
			337,200	**22,591,764**	22,254,564

12. HOLDING AND ULTIMATE HOLDING COMPANIES

The directors regard Jai Realty Ventures Limited as the Company's holding company and Jai Corp Limited as its ultimate holding company, both companies incorporated in India. Jai Corp Limited is listed on the National Stock Exchange and Bombay Stock Exchange in India.

13. EVENTS AFTER THE REPORTING PERIOD

There have been no material events since the end of the reporting period which would require disclosures or adjustments to the financial statements for the year ended 31 March 2016.