INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF OASIS HOLDING (FZC)

Report on the financial statements

We have audited the accompanying financial statements of **OASIS HOLDING (FZC)** which comprise the statement of financial position as at 31 March 2012, and the statement of 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 information set out on pages 3 to 13.

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 International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give 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.

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

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
OASIS HOLDING (FZC)
(continued)

Basis for qualified opinion

We refer to note 6 with regard to nature of amounts included in investment in projects and impairment thereof.

Qualified opinion

In our opinion, except for the effects of the matters described in the basis for qualified opinion paragraph, the financial statements give a true and fair view of the financial position of **OASIS HOLDING (FZC)** as of 31 March 2012, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Emphasis of matter

Without further qualifying our opinion, we draw attention to Note 2 (a) to the financial statements, which states that although as at 31 March 2012, the company has accumulated losses of AED 157,865 and net deficit of AED 7,865 in equity funds, these financial statements have been prepared on a going concern basis as the shareholders have agreed to continue with the operations of the company and have agreed to provide continuing financial support to enable the company to discharge its liabilities as and when they fall due.

Report on other legal and regulatory requirements

We further confirm that the financial statements comply with Implementation Procedures issued by the Sharjah Airport International Free Zone Authority pursuant to Law No. 2 of 1995, we have obtained all the information and explanations necessary for our audit and proper books of account and other records have been maintained in accordance with the said regulation.

PKF
Sharjah
United Arab Emirates
5 April 2012

OASIS HOLDING (FZC)

STATEMENT OF FINANCIAL POSITION
YEAR ENDED 31 MARCH 2012

	Notes	2012 AED	2011 AED
NON-CURRENT ASSETS			
Investment in projects	6	**31,564,950**	31,564,950
		31,564,950	31,564,950
CURRENT ASSETS			
Prepayments and deposits	7	**10,938**	10,825
Cash and cash equivalents	8	**32,679**	71,242
		43,617	82,067
TOTAL ASSETS		**31,608,567**	31,647,017
CURRENT LIABILITIES			
Accruals		**8,000**	4,000
SHAREHOLDERS' FUNDS			
Share capital	9	**150,000**	150,000
Accumulated losses		**(157,865)**	(115,415)
(Deficit)/surplus in equity funds		**(7,865)**	34,585
Advances from shareholders for projects		**31,608,432**	31,608,432
		31,600,567	31,643,017
TOTAL EQUITY AND LIABILITIES		**31,608,567**	31,647,017

The accompanying notes form an integral part of these financial statements.
The report of the independent auditor is set forth on pages 1 and 2.

We confirm that we are responsible for these financial statements, including selecting the accounting policies and making the judgments underlying them. We confirm that we have made available all relevant accounting records and information for their compilation.

Authorised for issue by the directors on 5 April 2012.

For **OASIS HOLDING (FZC)**

DIRECTORS

OASIS HOLDING (FZC)

STATEMENT OF COMPREHENSIVE INCOME
YEAR ENDED 31 MARCH 2012

	2012 AED	2011 AED
Operating expenses	(42,450)	(42,835)
LOSS FOR THE YEAR	(42,450)	(42,835)
Other comprehensive income for the year	--	--
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	(42,450)	(42,835)

The accompanying notes form an integral part of these financial statements.
The report of the independent auditor is set forth on pages 1 and 2.

OASIS HOLDING (FZC)

STATEMENT OF CHANGES IN EQUITY
YEAR ENDED 31 MARCH 2012

	Share capital AED	Accumulated losses AED	Total AED
As at 31.03.2010	150,000	(72,580)	77,420
Total comprehensive income for the year	--	(42,835)	(42,835)
As at 31.03.2011	150,000	(115,415)	34,585
Total comprehensive income for the year	--	(42,450)	(42,450)
As at 31.03.2012	**150,000**	**(157,865)**	**(7,865)**

The accompanying notes form an integral part of these financial statements.
The report of the independent auditor is set forth on pages 1 and 2.

OASIS HOLDING (FZC)

STATEMENT OF CASH FLOWS
YEAR ENDED 31 MARCH 2012

	Note	2012 AED	2011 AED
Cash flows from operating activities			
Loss for the year		**(42,450)**	(42,835)
Increase in prepayments and deposits		**(113)**	--
Increase/(decrease) in accruals		**4,000**	(4,000)
Net cash used in operations		**(38,563)**	(46,835)
Cash flows from investing activities			
Payment for investment in projects		**--**	(364,950)
Net cash used in investing activities		**--**	(364,950)
Cash flows from financing activities			
Advances from shareholders for projects		**--**	408,420
Net cash from financing activities		**--**	408,420
Net decrease cash and cash equivalents		**(38,563)**	(3,365)
Cash and cash equivalents at beginning of year		**71,242**	74,607
Cash and cash equivalents at end of year	8	**32,679**	71,242

The accompanying notes form an integral part of these financial statements.
The report of the independent auditor is set forth on pages 1 and 2.

1. **LEGAL STATUS AND BUSINESS ACTIVITY**

a) **OASIS HOLDING (FZC)** was incorporated on 18 June 2008 in Sharjah Airport International Free Zone, Sharjah, UAE as a Free Zone Company with limited liability, pursuant to Law No. 2 of 1995 of H.H. Sheikh Sultan Bin Mohammed Al Qassimi, the Ruler of Sharjah. The registered office is P. O. Box 121943, Executive Suite, Sharjah, United Arab Emirates. The company commenced operations from June 2008.

b) The company is engaged in investment of own financial resources.

c) The parent company is Belle Terre Realty Limited, India and the ultimate parent company is Jai Corp. Limited, India.

2. **SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies adopted, and which have been consistently applied, are as follows:

a) **Basis of preparation**

The financial statements are presented in UAE Dirhams and prepared using historical cost convention and in accordance with International Financial Reporting Standards issued or adopted by the International Accounting Standards Board (IASB) and which are effective for accounting periods beginning on or after 1 April 2011 and the laws of Sharjah Airport Free Zone Authority.

Although as at 31 March 2012, the company had accumulated losses of AED 157,865 and net deficit of AED 7,865 in equity funds, these financial statements have been prepared on a going concern basis as the shareholders have agreed to continue with the operations of the company and have agreed to provide continuing financial support to enable the company to discharge its liabilities as and when they fall due.

b) **Investment in projects**

Investment in projects is stated at cost less impairment losses, if any.

c) **Leases**

Leases under which substantially all the risks and rewards of ownership of the related asset remain with the lessor are classified as operating leases and the lease payments are charged to profit or loss on a straight-line basis over the period of the lease.

d) **Foreign currency transactions**

Transactions in foreign currencies are translated into UAE Dirhams at the rate of exchange ruling on the date of the transactions.

Monetary assets and liabilities expressed in foreign currencies are translated into UAE Dirhams at the rate of exchange ruling at the reporting date.

Gains or losses resulting from foreign currency transactions are taken to profit or loss.

e) **Cash and cash equivalents**

Cash and cash equivalents comprise bank current accounts, bank deposits free of encumbrance with a maturity date of three months or less from the date of deposit and highly liquid investments with a maturity date of three months or less from the date of investment.

f) **Financial instruments**

Financial assets and financial liabilities are recognised when, and only when, the company becomes a party to the contractual provisions of the instrument.

Financial assets are de-recognised when, and only when, the contractual rights to receive cash flows expire or when substantially all the risks and rewards of ownership have been transferred.

Financial liabilities are de-recognised when, and only when, they are extinguished, cancelled or expired.

Current financial asset that have fixed or determinable payments and for which there is no active market, which comprise deposits are classified as loans and receivables and stated at cost or, if the impact is material, at amortised cost using the effective interest method, less any write down for impairment losses plus reversal of impairment losses. Impairment losses and reversals thereof are recognised in profit or loss.

Current and non-current financial liabilities, which comprise accruals and advances from shareholders for projects are measured at cost or, if the impact is material, at amortised cost using the effective interest method.

3. **SIGNIFICANT JUDGMENTS EMPLOYED IN APPLYING ACCOUNTING POLICIES**

The significant judgments made in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are as follows:

Impairment

At each reporting date, management conducts an assessment of investment in projects and all financial assets to determine whether there are any indications that they may be impaired. In the absence of such indications, no further action is taken. If such indications do exist, an analysis of each asset is undertaken to determine its net recoverable amount and, if this is below its carrying amount, a provision is made. In the case of loans and receivables, if an amount is deemed irrecoverable, it is written off to profit or loss or, if previously a provision was made, it is written off against the provision. Reversals of provisions against loans and receivables are made to the extent of the related amounts being recovered.

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

Key assumptions made concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period, are as follows:

Impairment

Assessments of net recoverable amounts of investment in projects and all financial assets other than loans and receivables (see above) are based on assumptions regarding future cash flows expected to be received from the related assets.

5. ADOPTION OF NEW INTERNATIONAL FINANCIAL REPORTING STANDARDS

The following International Financial Reporting Standards, amendments thereto and Interpretations that became effective for the current reporting period and which are applicable to the company are as follows. Their adoption has resulted in presentation and disclosure changes only:

- IAS24: Related Party Disclosures
- Improvements to IFRS
    - IFRS 7: Financial Instruments: Disclosures
    - IAS 1: Presentation of Financial Statements

The following International Financial Reporting Standards, amendments thereto and Interpretations that are assessed by management as likely to have an impact on the financial statements have been issued by the IASB prior to the date the financial statements were authorised for issue but have not been applied in these financial statements as their effective dates of adoption are for future accounting periods. It is anticipated that their adoption in the relevant accounting periods will have an impact only on presentation and disclosures within the financial statements:

- Presentation of Items in Other Comprehensive Income: Amendments to IAS1 (1 July 2012)
- IAS 19 : Employee Benefits (1 January 2013)
- IFRS 9 : Financial Instruments (1 January 2013)
- IFRS 13 : Fair Value Measurement (1 January 2013)

		2012	2011
		AED	AED
6.	**INVESTMENT IN PROJECTS**		
	Investment in projects	31,564,950	31,564,950

a) This represents payments made for plot of leasehold land to be utilized for construction of labour accommodation. The leasehold land is situated in Dubai, UAE. The lease is for a period of 50 years and expires on 18 June 2058.

b) The purchase of one of the plots was terminated in the earlier year and the resulting cancellation charge of AED 7,200,000 was included in investment in projects.

c) The management is of the opinion that, in the present market condition, the fair value of investment in projects cannot be reasonably determined and therefore, the impairment amount, if any, cannot be reasonably assessed.

		2012	2011
7.	**PREPAYMENTS AND DEPOSITS**		
	Prepayments	7,438	7,325
	Deposits	3,500	3,500
		10,938	10,825
8.	**CASH AND CASH EQUIVALENTS**		
	Bank balances:		
	Current accounts	12,474	21,597
	Call deposits	20,205	49,645
		32,679	71,242
9.	**SHARE CAPITAL**		
	100 shares of AED 1,500 each	150,000	150,000

10. **RELATED PARTIES**

The company enters into transactions with entities that fall within the definition of a related party as contained in International Accounting Standard 24. The management considers such transactions to be in the normal course of business and at prices determined by the management.

Related parties comprise the parent company, the ultimate parent company and companies under common ownership and/or common management control and shareholders.

At the reporting date significant balances with related parties were as follows:

	2012	2011
	AED	AED
Advances from shareholders for projects	31,608,432	31,608,432

Advances from shareholders for projects are unsecured, interest free and are expected to be settled in cash. Repayment and other terms are set out in note 12.

The company avails administrative services from a related party free of cost.

11. **MANAGEMENT OF CAPITAL**

The company's objectives when managing capital are to ensure that the company continues as a going concern and to provide the shareholders with a rate of return on their investment commensurate with the level of risk assumed.

Capital comprises equity funds as presented in the statement of financial position together with the advances from shareholders for projects. Debt comprises total amounts owing to third parties, net of cash and cash equivalents.

The company is subject to externally imposed capital requirements as per the Implementation Regulations issued by Sharjah Airport Free Zone Authority pursuant to Law No. 2 of 1995. (Refer note 13).

12. **FINANCIAL INSTRUMENTS**

The net carrying amounts as at the reporting date of financial assets and financial liabilities are as follows:

	Loans and receivables		At amortised cost	
	2012	2011	2012	2011
	AED	AED	AED	AED
Deposits	3,500	3,500	--	--
Cash and cash equivalents	32,679	71,242	--	--
Accruals	--	--	8,000	4,000
Amounts from shareholders for investment in projects	--	--	31,608,432	31,608,432
	36,179	74,742	31,616,432	31,612,432

Management of risk

The management conducts and operates the business in a prudent manner, taking into account the significant risks to which the business is or could be exposed.

The primary risks to which the business is exposed comprise credit risks, liquidity risks and market risks (including currency risks, cash flow interest rate risks and fair value interest rate risks).

Credit risk is managed by assessing the creditworthiness of potential customers and the potential for exposure to the market in which they operate, combined with regular monitoring and follow-up.

Management continuously monitors its cash flows to determine its cash requirements and makes arrangement with related parties to manage exposure to liquidity risk.

The company buys and sells goods and services in local currencies. Exposure is minimised by denominating the transaction in US dollars to which the UAE Dirham is pegged.

Exposures to the aforementioned risks are detailed below:

Credit risk
Financial assets that potentially expose the company to concentrations of credit risk comprise principally bank accounts.

The company's bank accounts are placed with high credit quality financial institutions.

Currency risk
There are no significant currency risks as substantially all financial assets and financial liabilities are denominated in UAE Dirhams or US Dollars to which the Dirham is fixed.

Reasonably possible changes to interest rates at the reporting date are unlikely to have had a significant impact on profit or equity.

Interest rate risk
Call deposit is subject to fixed interest rates at levels generally obtained in the UAE and are therefore exposed to fair value interest rate risk.

Fair values
The fair value of a financial instrument is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. The fair values of the company's financial assets and financial liabilities, which are required to be stated at cost or at amortised cost, approximate to their fair values except for "advances from shareholders for projects" which due to its terms and nature has a carrying value lower than the fair value.

13. **FREE ZONE AUTHORITY REGULATIONS**

As the net assets of the establishment are below 75 percent of its share capital, in accordance with the Implementation Procedures issued by the Sharjah Airport International Free Zone Authority pursuant to Law No. 2 of 1995, the directors have remedied the situation and have introduced funds by way of advances from shareholders for projects.

For **OASIS HOLDING (FZC)**

DIRECTORS

OASIS HOLDING (FZC)

FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT

YEAR ENDED 31 MARCH 2012

OASIS HOLDING (FZC)

FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORT

YEAR ENDED 31 MARCH 2012

CONTENTS	**PAGE**