

**GILLANDERS HOLDINGS (MAURITIUS) LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE PERIOD FROM 28 MAY 2014 (DATE OF INCORPORATION)  
TO 31 MARCH 2015**

**GILLANDERS HOLDINGS (MAURITIUS) LIMITED**

**FINANCIAL STATEMENTS  
FOR THE PERIOD FROM 28 MAY 2014 (DATE OF INCORPORATION) TO 31 MARCH 2015**

<b>CONTENTS</b>	<b>PAGES</b>
COMPANY INFORMATION	2
COMMENTARY OF DIRECTORS	3
SECRETARY'S CERTIFICATE	4
INDEPENDENT AUDITORS' REPORT	5 - 6
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	7
STATEMENT OF FINANCIAL POSITION	8
STATEMENT OF CHANGES IN EQUITY	9
STATEMENT OF CASH FLOWS	10
NOTES TO THE FINANCIAL STATEMENTS	11 - 23

**GILLANDERS HOLDINGS (MAURITIUS) LIMITED**

**COMPANY INFORMATION**

		<b>Date of appointment</b>
<b>DIRECTORS</b>	:	
	Sachidananda Payandee Govinda	28 May 2014
	Vimla Ramsamy	28 May 2014
	Bithal Kumar Kothari	30 May 2014
	Vijay Kumar	30 May 2014
<b>ADMINISTRATOR AND SECRETARY</b>	:	
	Abax Corporate Services Ltd 6 <sup>th</sup> Floor, Tower A, 1 CyberCity Ebène Republic of Mauritius	
<b>REGISTERED OFFICE</b>	:	
	C/o Abax Corporate Services Ltd 6 <sup>th</sup> Floor, Tower A, 1 CyberCity Ebène Republic of Mauritius	
<b>AUDITOR</b>	:	
	SRA Partners 2 <sup>nd</sup> Floor, 31 Bis St Georges Street Port Louis Republic of Mauritius	
<b>BANKER</b>	:	
	SBI (Mauritius) Ltd, Head Office SBI Tower Mindspace Bhumi Park, 45 Ebène Republic of Mauritius.	

**GILLANDERS HOLDINGS (MAURITIUS) LIMITED**

**COMMENTARY OF DIRECTORS**

The directors present their commentary and the first audited financial statements of Gillanders Holdings (Mauritius) Limited ("the Company") for the period from 28 May 2014 (date of incorporation) to 31 March 2015.

**PRINCIPAL ACTIVITY**

The principal activity of the Company is to hold investments.

**RESULTS AND DIVIDENDS**

The Company's loss for the period from 28 May 2014 (date of incorporation) to 31 March 2015 is **USD 106,307**.

The directors do not recommend the payment of dividend for the period under review.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS**

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

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

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

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

**AUDITOR**

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

By Order of the Board  
ISABELLE ALLEN  
For  
Abax Corporate Services Ltd

**SECRETARY**

Date: 26 MAY 2015


**SECRETARY'S CERTIFICATE**

**TO THE MEMBER OF GILLANDERS HOLDINGS (MAURITIUS) LIMITED**

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

We confirm that, based on records and information made available to us by the Directors and Shareholder of the Company, the Company has filed with the Registrar of Companies, for the period from 28 May 2014 (Date of Incorporation) to 31 March 2015 all such returns as are required of the Company under the Mauritius Companies Act 2001.

Dated 26 May 2015

ISABELLE ADRIEN  
For   
Abax Corporate Services Ltd

**Secretary**





**INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF**

*GILLANDERS HOLDINGS (MAURITIUS) LIMITED*

**Report on the Financial Statements**

1. We have audited the financial statements of Gillanders Holdings (Mauritius) Limited on pages 7 to 23 which comprise the statement of financial position at 31 March 2015 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the period then ended and a summary of significant accounting policies and other explanatory notes.

*Directors' Responsibility for the Financial Statements*

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

*Auditors' Responsibility*

3. 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.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF

*GILLANDERS HOLDINGS (MAURITIUS) LIMITED*

**Report on the Financial Statements (continued)**

*Opinion*

6. In our opinion, the financial statements on pages 7 to 23 give a true and fair view of the financial position of the company at 31 March 2015 and of its financial performance and its cash flows for the period then ended in accordance with International Financial Reporting Standards and comply with the Companies Act 2001.

*Report on Other Legal and Regulatory Requirements*

7. The Companies Act 2001 requires that in carrying out our audit we consider and report to you on the following matters. We confirm that:
- (a) we have no relationship with or interests in the Company other than in our capacity as auditors;
  - (b) we have obtained all the information and explanations we have required; and
  - (c) in our opinion, proper accounting records have been kept by the Company as far as appears from our examination of those records.

*Other matters*

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

*SRA Partners*

SRA Partners

Shareef Ramjan (FCCA)  
Licenced by FRC

Date: 26 MAY 2015

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE PERIOD FROM 28 MAY 2014 (DATE OF INCORPORATION) TO 31 MARCH 2015**

	2015 USD
<b>Income</b>	-
<b>Expenses</b>	-----
Transaction costs	180,790
Secretarial fees	19,000
Legal fees	7,141
Accountancy fees	4,000
Incorporation costs	2,520
Directors' fees (Note 11 (iii))	2,500
Commission	1,683
Annual licence fees	1,642
Audit fees	1,380
Bank charges	1,346
Domiciliation and compliance fees	1,188
Taxation fees	1,000
Disbursements	500
Annual registration fees	401
	-----
	225,091
<b>Operating loss</b>	----- (225,091)
Finance cost	(201,059)
Finance Income	376,283
Loss before Income tax	----- (49,867)
Income tax expense (Note 5)	(56,440)
<b>Loss for the period</b>	----- (106,307)
Other comprehensive income	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	----- (106,307) =====

The notes on pages 11 to 23 form an integral part of these financial statements.



## GILLANDERS HOLDINGS (MAURITIUS) LIMITED

## STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2015

	2015 USD
<b>ASSETS</b>	
<b>Non-current assets</b>	
Investment in subsidiary (Note 6)	3,701,969
Loan receivable (Note 7)	8,407,000
	----- 12,108,969 -----
<b>Current assets</b>	
Other receivables (Note 8)	401,205
Cash and cash equivalents	115,153
	----- 516,358 -----
<b>Total assets</b>	12,625,327 =====
<b>EQUITY AND LIABILITIES</b>	
<b>Equity</b>	
Stated capital (Note 9)	10,000
Retained deficit	(106,307)
<b>Shareholder's deficit</b>	(96,307) -----
<b>LIABILITIES</b>	
<b>Non-current liabilities</b>	
Borrowings (Note 10)	12,601,704
<b>Current liabilities</b>	
Other payables (Note 11)	119,930
<b>Total liabilities</b>	12,721,634 -----
<b>Total equity and liabilities</b>	12,625,327 =====

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

26 MAY 2015

.....  
Director

.....  
Director

The notes on pages 11 to 23 form an integral part of these financial statements.

## GILLANDERS HOLDINGS (MAURITIUS) LIMITED

STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD FROM 28 MAY 2014 (DATE OF INCORPORATION) TO 31 MARCH 2015

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

The notes on pages 11 to 23 form an integral part of these financial statements.

## GILLANDERS HOLDINGS (MAURITIUS) LIMITED

STATEMENT OF CASH FLOWS  
FOR THE PERIOD FROM 28 MAY 2014 (DATE OF INCORPORATION) TO 31 MARCH 2015

	2015 USD
<b>Cash flow from operating activities</b>	
Loss before income tax	(49,867)
<i>Adjustment for non-cash items:</i>	
Interest income	(376,264)
Interest expense	201,059
	-----
<b>Operating loss before working capital changes</b>	(225,072)
Increase in prepayments	(387,629)
Increase in other payable and accrued expenses	111,062
	-----
<b>Cash used in operating activities</b>	(501,639)
Interest paid	(192,191)
Interest received	306,248
	-----
<b>Net cash used in operating activities</b>	(387,582)
	-----
<b>Cash flow from investing activities</b>	
Acquisition of investment (Note 6)	(3,701,969)
Loan advanced to subsidiary (Note 7)	(8,407,000)
	-----
<b>Net cash used in investing activities</b>	(12,108,969)
	-----
<b>Cash flow from financing activities</b>	
Proceeds from issue of shares (Note 8)	10,000
Proceeds from borrowings (Note 9)	12,601,704
	-----
<b>Net cash generated from financing activities</b>	12,611,704
	-----
<b>Net increase in cash and cash equivalents</b>	115,153
<b>Cash and cash equivalents at beginning of period</b>	-
	-----
<b>Cash and cash equivalents at end of period</b>	115,153
	=====

The notes on pages 11 to 23 form an integral part of these financial statements.



**GILLANDERS HOLDINGS (MAURITIUS) LIMITED****NOTES TO THE FINANCIAL STATEMENTS - FOR THE PERIOD FROM 28 MAY 2014  
(DATE OF INCORPORATION) TO 31 MARCH 2015****1 GENERAL INFORMATION**

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

The principal activity of the Company is to hold investments.

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**Basis of preparation**

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

**Use of judgements and estimates**

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

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

During the period ended 31 March 2015, the Company adopted the standards which are effective in the current period and relevant to its operations. The adoption of these standards did not result in substantial changes to the Company's accounting policies and did not have significant impact on the financial statements for the financial period ended 31 March 2015.

*(b) Standards and interpretations issued but not yet effective*

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

<b>Standards</b>	<b>Effective dates</b>
IFRS 9: Financial Instruments	Annual periods beginning on or after 1 January 2018
IFRS 14: Regulatory Deferral Accounts	Annual periods beginning on or after 1 January 2016
Amendments to IAS 19 Defined Benefit Plans: Employee Contributions	Annual periods beginning on or after 1 July 2014
Annual improvements 2010-2012 Cycle	Annual periods beginning on or after 1 July 2014
Annual improvements 2011-2013 Cycle	Annual periods beginning on or after 1 July 2014
IFRS 15: Revenue from Contracts with Customers	Annual periods beginning on or after 1 January 2017
Amendments to IFRS 11: Accounting for Acquisitions of Interests in Joint Operations	Annual periods beginning on or after 1 January 2016
Amendments to IAS 16 and IAS 38: Clarification of Acceptable Methods of Depreciation and Amortisation	Annual periods beginning on or after 1 January 2016



## GILLANDERS HOLDINGS (MAURITIUS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS - FOR THE PERIOD FROM 28 MAY 2014  
(DATE OF INCORPORATION) TO 31 MARCH 2015

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

*Changes in accounting policy and disclosures (continued)**(b) Standards and interpretations issued but not yet effective (continued)*

Standards	Effective dates
Amendments to IAS 16 and IAS 41 Agriculture: Bearer Plants	Annual periods beginning on or after 1 January 2016
Amendments to IAS 27: Equity Method in Separate Financial Statements	Annual periods beginning on or after 1 January 2016
IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Annual periods beginning on or after 1 January 2016
IFRS 10, IFRS 12 and IAS 28: Investment Entities: Applying the Consolidation Exception	Annual periods beginning on or after 1 January 2016
IAS 1: Disclosure Initiative	Annual periods beginning on or after 1 January 2016
Amendments to 4 standards: Improvements to IFRSs 2012-2014 Cycle	Annual periods beginning on or after 1 January 2016

None of these standards and amendments is expected to have any material impact on the financial statements of the Company when they become effective, except for those listed below:

*IFRS 9 - Financial Instruments*

In July 2014, the IASB issued the final version of IFRS 9 Financial Instruments which reflects all phases of the financial instruments project and replaces IAS 39 Financial Instruments: Recognition and Measurement and all previous versions of IFRS 9. The standard introduces new requirements for classification and measurement, impairment and hedge accounting. IFRS 9 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. Retrospective application is required, but comparative information is not compulsory. Early application of previous versions of IFRS 9 (2009, 2010 and 2013) is permitted if the date of initial application is before 1 February 2015. The Company is still evaluating the impact of this standard and shall adopt this standard when it becomes effective.

*Annual improvements 2010-2012 Cycle**IAS 24 Related Party Disclosures*

The amendment is applied retrospectively and clarifies that a management entity (an entity that provides key management personnel services) is a related party subject to the related party disclosures. In addition, an entity that uses a management entity is required to disclose the expenses incurred for management services. The amendment will result in additional disclosures in respect of the fees paid to the management entity of the Company.

*Amendments to IAS 1 - Disclosure Initiative*

The amendments provide additional guidance on the application of materiality and aggregation when preparing financial statements. The amendments apply for annual periods beginning on or after 1 January 2016 and early application are permitted. The impact on the financial statements of the Company has not yet been assessed.

There are no other IFRSs or IFRIC Interpretations that are not yet effective that would be expected to be relevant and have a significant impact on the Company.



**GILLANDERS HOLDINGS (MAURITIUS) LIMITED****NOTES TO THE FINANCIAL STATEMENTS - FOR THE PERIOD FROM 28 MAY 2014  
(DATE OF INCORPORATION) TO 31 MARCH 2015****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)*****Foreign currency translation******(a) Functional and presentation currency***

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

***(b) Transactions and balances***

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

***Current and deferred income tax***

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

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

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

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

***Investment in subsidiary***

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

**GILLANDERS HOLDINGS (MAURITIUS) LIMITED****NOTES TO THE FINANCIAL STATEMENTS - FOR THE PERIOD FROM 28 MAY 2014  
(DATE OF INCORPORATION) TO 31 MARCH 2015****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)*****Investment in subsidiary (continued)***

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

***Consolidated financial statements***

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

***Financial instruments***

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

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

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

***Loans and receivables***

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

***Cash and cash equivalents***

Cash and cash equivalents include cash at bank only.

***Other payables***

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

***Borrowings***

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



**GILLANDERS HOLDINGS (MAURITIUS) LIMITED****NOTES TO THE FINANCIAL STATEMENTS - FOR THE PERIOD FROM 28 MAY 2014  
(DATE OF INCORPORATION) TO 31 MARCH 2015****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)*****Stated capital***

Ordinary shares are classified as equity.

***Impairment of non-financial assets***

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

***Impairment of financial assets***

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

***Assets carried at amortised cost***

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

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

***Derecognition of financial assets and liabilities.***

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

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

***Provisions***

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

***Revenue recognition***

Interest income is recognised using the effective interest method.

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

***Expense recognition***

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



**GILLANDERS HOLDINGS (MAURITIUS) LIMITED****NOTES TO THE FINANCIAL STATEMENTS - FOR THE PERIOD FROM 28 MAY 2014  
(DATE OF INCORPORATION) TO 31 MARCH 2015****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)*****Incorporation costs***

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

**3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS**

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

***Determination of functional currency***

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

***Going concern***

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

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

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

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

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

**(a) Market risk**

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

## GILLANDERS HOLDINGS (MAURITIUS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS - FOR THE PERIOD FROM 28 MAY 2014  
(DATE OF INCORPORATION) TO 31 MARCH 2015

## 4 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(a) *Market risk (continued)*(i) *Currency risk*

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

(ii) *Interest rate risk*

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

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

(iii) *Price risk*

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

(b) *Credit risk*

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

	2015 USD
Loan receivable	8,407,000
Interest receivable	13,576
Cash and cash equivalents	115,153
	-----
	<b>8,535,729</b>
	=====

(c) *Liquidity risk*

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

The table below summarises the maturity profile of the Company's financial liabilities at 31 March 2015 based on contractual undiscounted payments:



## GILLANDERS HOLDINGS (MAURITIUS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS - FOR THE PERIOD FROM 28 MAY 2014  
(DATE OF INCORPORATION) TO 31 MARCH 2015

## 4 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(c) *Liquidity risk (continued)*

2015	Within one year USD	More than one year USD	Total USD
Borrowings	-	12,601,704	12,601,704
Interest payable	8,868	-	8,868
Other payables	111,062	-	111,062
	=====	=====	=====
	119,930	12,601,704	12,721,634

(d) *Fair value*

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

(e) *Capital risk management*

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

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

	2015 USD
Total borrowings	12,601,704
Less: Cash and cash equivalents	(115,153)
	-----
Net debt	12,486,551
Total equity	(96,307)
	-----
Total capital	12,390,244
	=====
Gearing Ratio	100.78%

## GILLANDERS HOLDINGS (MAURITIUS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS - FOR THE PERIOD FROM 28 MAY 2014  
(DATE OF INCORPORATION) TO 31 MARCH 2015

## 4 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(f) *Financial instruments by category*

	2015 USD
<b>Financial assets</b>	
<i>Loans and receivables</i>	
Loan receivable	8,407,000
Interest receivable	13,576
Cash and cash equivalents	115,153
	-----
	8,535,729
	=====
	2015 USD
<b>Financial liabilities</b>	
<i>Other financial liabilities at amortised cost</i>	
Borrowings	12,601,704
Interest payable	8,868
Other payables	111,062
	-----
	12,721,634
	=====

## 5 INCOME TAX

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

*Mauritius*

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

	2015 USD
The tax expense for the period consists of:	
Withholding tax charge	56,440
	=====

*Malawi*

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



## GILLANDERS HOLDINGS (MAURITIUS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS - FOR THE PERIOD FROM 28 MAY 2014  
(DATE OF INCORPORATION) TO 31 MARCH 2015

## 5 INCOME TAX (Continued)

	2015 USD
Loss before taxation	(49,867)
Applicable income tax rate @15%	(7,480)
Impact of:	
Non-taxable income	(3)
Expenses not deductible for tax purposes	28,820
Foreign tax credit	(21,337)
Withholding tax charge	56,440
Income tax charge	56,440

## 6 INVESTMENT IN SUBSIDIARY

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

Details pertaining to the investment in subsidiary at 31 March 2015 are as follows:

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

At 31 March 2015, the directors are of the opinion that the investment has not suffered any impairment.

## 7 LOAN RECEIVABLE

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

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

## GILLANDERS HOLDINGS (MAURITIUS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS - FOR THE PERIOD FROM 28 MAY 2014  
(DATE OF INCORPORATION) TO 31 MARCH 2015

## 8 OTHER RECEIVABLES

	2015 USD
Interest receivable	13,576
Prepayments	387,629
	-----
	401,205
	=====

## 9 STATED CAPITAL

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

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

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

*Rights relating to dividends*

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

*Rights relating to repayment of capital*

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

## 10 BORROWINGS

	2015 USD
<i>Axis Bank Limited, Singapore Branch:</i>	
Addition during the period	12,601,704
	-----
At end of the period	12,601,704
	=====

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

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

## GILLANDERS HOLDINGS (MAURITIUS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS - FOR THE PERIOD FROM 28 MAY 2014  
(DATE OF INCORPORATION) TO 31 MARCH 2015

## 11 OTHER PAYABLES

	2015 USD
Interest payable	8,868
Amount due to parent (Note 11 (i))	1,683
Amount due to subsidiary (Note 11 (ii))	30
Accruals	109,349
	-----
At end of the period	119,930
	=====

## 12 RELATED PARTY TRANSACTIONS

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

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

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

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

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

(iii) <i>Remuneration to key management personnel</i>	
Directors' fees	2,500
	=====

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

(iv) *Loan to subsidiary*

The loan to subsidiary is disclosed in note 7.

## 13 GOING CONCERN

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

**GILLANDERS HOLDINGS (MAURITIUS) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - FOR THE PERIOD FROM 28 MAY 2014  
(DATE OF INCORPORATION) TO 31 MARCH 2015**

**14 PARENT AND ULTIMATE PARENT**

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

**15 COMPARATIVE FIGURES**

The Company has been incorporated on 28 May 2014 and these are the first financial statements of the Company and therefore no comparative figures are available.

**16 EVENTS AFTER REPORTING DATE**

There are no significant events after the reporting period which needs disclosures in or amendments to 31 March 2015 financial statements.