

**KASHISH WORLDWIDE FZE
AJMAN FREEZONE
AJMAN - UNITED ARAB EMIRATES**

**FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT
FOR THE YEAR ENDED MARCH 31, 2016**

**KASHISH WORLDWIDE FZE
AJMAN FREE ZONE
AJMAN - UNITED ARAB EMIRATES**

**FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT
FOR THE YEAR ENDED MARCH 31, 2016**

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**KASHISH WORLDWIDE FZE
AJMAN FREE ZONE
AJMAN - UNITED ARAB EMIRATES**

Establishment Information

The Establishment:

Kashish Worldwide FZE

Legal Status:

Free Zone Establishment registered with Ajman Free Zone Authority, Ajman, United Arab Emirates

Date of Registration:

January 10, 2016

Activities:

General Trading Import & Export.

Manager:

Mr. Nikhil Satish Pore

Business Address:

Ajman Free Zone

Ajman – United Arab Emirates

**KASHISH WORLDWIDE FZE
AJMAN FREE ZONE
AJMAN - UNITED ARAB EMIRATES**

Owners' Report

The Owners' have pleasure in presenting their audited financial statements for the year ended March 31, 2016.

Activities of the Establishment

The activity of the establishment as per Commercial license is General Trading Import & Export.

Operations review and Future Developments

The Company's performance for the year ended March 31, 2016 was satisfactory with the turnover. The net profit of the company is AED 51,222,507 and the Directors are happy with the improvement in sales and are optimistic about the prospects for the coming year 2017.

Events after the year end

The Directors opinion, that the transactions or events are not unusual nature in the interval between the end of the financial year and the date of this report, which is likely to effect substantially the result of the operations or the financial position of the company.

Auditors

The annual general meeting will be proposed to re-appoint the auditors of M/s. Business Management World, Auditors & Business Consultants P.O. Box 63243, Dubai - United Arab Emirates to continue as an auditor for the coming year 2017.

Directors' responsibilities

The memorandum of association of the Company and the Company law in United Arab Emirates insist to prepare the financial statement for every financial year which must be disclosed the true and fair view of financial affairs of the Company and the results of the operation for the year then ended. The Directors are responsible for maintaining proper accounting records which gives a true and fair view of the state of affairs of the Company enabling them to ensure the financial position, net profit or loss of the company for the year then ended in accordance to the relevant governing Laws.



Manager
Kashish Worldwide FZE

May 22, 2016



BMW
Business Management World
Auditors & Business Consultants

Auditors' Report

The Owners,
Kashish Worldwide FZE,
Ajman Free Zone - Ajman - United Arab Emirates

We have audited the accompanying financial statements of **Kashish Worldwide FZE, Ajman Free Zone - Ajman - United Arab Emirates** as at March 31, 2016 and the related statements of comprehensive income, statement of changes in owners' equity, statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management Responsibility

The management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRS) and the applicable provisions of the Articles of Association of Companies and U.A.E. Federal Commercial Companies Law No. 8 of 1984 (as amended) and other relevant U.A.E. Laws. The responsibility also includes 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. The Management is also responsible for such internal controls as it determines 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 our 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, we 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 & principles 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 audit opinion.



Business Management World
عالم ادارة أعمال
Auditors & Business Consultants

Opinion

We have fully depended on management report for financial statements and legal status of the company stated herewith.

Except for the effects of the matters discussed in the preceding paragraph, which may require financial adjustments in our opinion, the financial statements present fairly, in all material respects, the financial position of **Kashish Worldwide FZE, Ajman Free Zone - Ajman – United Arab Emirates** as at March 31, 2016 and of its financial performance and its cash flows for the year then ended subject to the above in accordance with International Financial Reporting Standards

Also, in our opinion, subject to the above there were no contraventions during the year of the U.A.E. Federal Commercial Companies Law No. 8 of 1984, as amended or the Company's Articles of Association which might have materially affected the financial position of the Company or the result of its operations for the year then ended

According to the information made available to us, we are not aware of any contraventions or changes during the year regarding the Entity's Articles of Association, Memorandum of Association of association; which may materially effect on the financial position of the Entity or the result of its operations for the year.

Business Management World
Auditors & Business Consultants
Dubai – United Arab Emirates

May 22, 2016



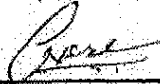
Kahish Worldwide FZE
Ajman -United Arab Emirates

Statement of Financial Position
as at March 31,2016
(In United Arab Emirates Dirhams)

	Notes	2016
Assets		
<i>Current assets:</i>		
Cash and banks	4	1,896,011
Trade receivables	5	525,493,156
Other receivables and prepayments	6	57,611
Inventories	7	5,330,100
		<u>532,776,879</u>
<i>Noncurrent assets:</i>		
Property, plant and equipment	8	15,416
		<u>15,416</u>
Total assets		<u>532,792,295</u>
Liabilities and Shareholders' Equity		
<i>Current liabilities:</i>		
Trade and other payables	9	491,346,163
Provisions & accrued expenses	10	40,000
		<u>491,386,163</u>
Total liabilities		<u>491,386,163</u>
<i>Shareholders' equity:</i>		
Share Capital	2	183,625
Retained earnings	11	41,222,507
Total Shareholders' equity		<u>41,406,132</u>
Total liabilities and Shareholders' equity		<u>532,792,295</u>

The accompanying notes form an integral part of these financial statements.
The Report of the Auditors is set out on page 3 & 4.

The financial statements on pages 5 to 20 were approved by the Manager on May 22, 2016 and signed on its behalf by:



Manager
Kahish Worldwide FZE



**Kahish Worldwide FZE
Ajman -United Arab Emirates**

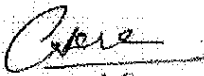
**Statement of Comprehensive Income
as at March 31,2016
(In United Arab Emirates Dirhams)**

	<u>Notes</u>	<u>2016</u>
Revenue	12	556,661,768
Cost of turnover	13	(504,447,471)
<i>Gross profit</i>		52,214,297
Administrative expenses	14	(991,406)
Depreciation	8	(384)
<i>Profit from operating activities:</i>		51,222,507
<i>Net profit for the year from operations</i>		51,222,507
<i>Net profit for the year</i>	11	51,222,507

The accompanying notes form an integral part of these financial statements.

The Report of the Auditors is set out on page 3 & 4.

The financial statements on pages 5 to 20 were approved by the Manager on May 22, 2016 and signed on its behalf by:



Manager
Kahish Worldwide FZE

BMW
Business Management World
At 2013 Business Consultants

Kabish Worldwide FZE
Ajman - United Arab Emirates

Statement of Changes in Shareholders' Equity
as at March 31, 2016
(In United Arab Emirates Dirhams)

	<u>Share Capital</u>	<u>Retained earnings</u>	<u>Total</u>
<i>Changes in Shareholders' Equity:</i>			
Net profit for the period	-	51,222,507	51,222,507
Dividend paid	-	(10,000,000)	(10,000,000)
Net movements	183,625	-	183,625
As at March 31, 2016	<u>183,625</u>	<u>41,222,507</u>	<u>41,406,132</u>

The accompanying notes form an integral part of these financial statements.
The Report of the Auditors is set out on page 3 & 4.

Kahish Worldwide FZE
Ajman -United Arab Emirates

Statement of Cash Flows
as at March 31,2016
(In United Arab Emirates Dirhams)

	<u>2016</u>
Cash flows from operating activities:	
Net profit for the year	51,222,507
Adjustments for non cash items:	
Depreciation of property, plant, and equipment	384
Operating profit before changes in operating assets and liabilities	<u>51,222,891</u>
(Increase) in trade receivables	(525,493,156)
(Increase) in other receivables & prepayments	(57,611)
Decrease/ (Increase) in inventories	(5,330,100)
Increase in trade and other payables	491,346,162
Increase in provision and accrued expenses	40,000
Cash generated from operations:	<u>11,728,186</u>
Net cash from operating activities	<u>11,728,186</u>
Cash flows from investing activities	
Purchase of property, plant & equipment	(15,800)
Net cash flow (used in) investing activities	<u>(15,800)</u>
Cash flows from financing activities	
Devidend declared and paid	(10,000,000)
Share capital	183,625
<i>Net cash financing activities</i>	<u>(9,816,375)</u>
Net increase in cash and cash equivalents	<u>1,896,011</u>
Cash and cash equivalents, end of the year	<u>1,896,011</u>
Represented by:	
Cash on hand	36,450
Cash at bank	1,859,561
	<u>1,896,011</u>

The accompanying notes form an integral part of these financial statements.

The Report of the Auditors is set out on page 3 & 4.

Kashish Worldwide FZE

Ajman Free Zone - Ajman – United Arab Emirates

**Notes to the Financial Statements
For the year ended March 31, 2016**

1 Legal status and business activity:

- 1.1 **Kashish Worldwide FZE** is a Free Zone establishment was established on January 10, 2016 and operates in the United Arab Emirates under a Commercial license No. 16816 issued by the Ajman Free Zone Authority, The Government of Ajman.
- 1.2 The activity of the Company as per Commercial license is General Trading Import & Export.
- 1.3 Mr. Nikhil Satish Pore is the Manager of the company
- 1.4 Share Capital of the Company is AED 183,625 is equivalent to USD 50,000. The breakup of the shareholding at March 31, 2016 is as follows:

SI No.	Name of Shareholders	Nationality	Percentage of holding	AED
1)	Kushal Tradelink Limited	Indian	100 %	183,625
	Total		100%	183,625

- Capital Declared as per the management



Kashish Worldwide FZE

Ajman Free Zone - Ajman – United Arab Emirates

Notes to the Financial Statements (continued)

For the year ended March 31, 2016

2 Application of new and revised international Financial Reporting Standards

2.1 New and revised IFRSs applied with no material effect on the financial statements

The following new and revised IFRSs have been adopted in these financial statements. The application of these new and revised IFRSs has not had any material impact on the amounts reported for the current and prior years but may effect the accounting for future transactions or arrangements.

New and revised IFRSs

Amendments to IFRS 1

'First time adoption,' on hyperinflation and fixed dates'

Summary of requirements

The first amendment replaces references to a fixed date of '1 January 2004' with the date of transaction to IFRSs' thus eliminating the need for companies adopting IFRSs for the first time to restate the recognition transactions that occurred before the date transaction to IFRSs.

The second amendment provides guidance on how an Group should resume presenting financial statements in accordance with IFRSs after a period when the group was unable to comply with IFRSs because its functional currency was subject to severe hyperinflation.

Amendment to IFRS 7

'Financial instruments: Disclosure,' on Transfer of financial assets'

These amendments are the part of IASBs comprehensive review of off-balance sheet activities. The amendments promote transparency in the reporting of transfer transactions and improve users' understanding of financial assets and the effect of those risks on a company financial position, particularly those involving securitisation of financial asset.

Kashish Worldwide FZE

Ajman Free Zone - Ajman – United Arab Emirates

Notes to the Financial Statements (continued)

For the year ended March 31, 2016

2 Application of new and revised international Financial Reporting Standards
(Continued)

2.2 New and revised IFRSs in issue but not yet effective and not early adopted

The company not adopted the following new and revised IFRSs that have been issued but not yet effective:

<u>New and revised IFRSs</u>	<u>Effective for annual periods Beginning on or after</u>
Amendment to IAS 32 Financial Instruments: Presentation relating to application guidance on The offsetting of financial assets and financial Liabilities	1 January 2014
Amendments to IFRS 7 Financial Instruments: Disclosure includes new Disclosure to facilitate Comparison between those entities that prepare IFRS combined financial statements to those that prepare combined financial statements in accordance with US GAAP.	1 January 2013
Amendments to IFRS 1 First-Time adoption of International Financial Reporting Standards: Address how a first-time adopter would account For a government loan with a below-market rate of interest when transitioning to IFRS.	1 January 2013
Amendments to IAS 19 Employee Benefits: Which eliminates the corridor approach and Therefore require an Group to recognise changes In defined benefit plan obligations and plan assets When they occur	1 January 2013
IAS 27 Separate combined financial statement (revised in 2011)	1 January 2013
IAS 28 Investments in Associates and Joint Ventures (as amended in 2011)	1 January 2013
IAS 32 financial Instruments: Presentation (as amended in 2011)	1 January 2014
IFRS 9 Financial Instruments	1 January 2015
IFRS 10 Consolidated combined financial statements	1 January 2013
IFRS 11 Joint arrangements	1 January 2013
IFRS 12 Disclosure of Interest in Other Entities	1 January 2013
IFRS 13 Fair value measurement	1 January 2013

Kashish Worldwide FZE

Ajman Free Zone - Ajman – United Arab Emirates

Notes to the Financial Statements (continued)

For the year ended March 31, 2016

2 Application of new and revised international Financial Reporting Standards (continued)

2.2 New & revised IFRSs in issue but not yet effective and not early adopted (continued)

Annual Improvements to IFRSs issued in 2009-2011 reporting cycle. Includes changes to IFRS1, IAS16, IAS32 and IAS 34. Management anticipates that the adaption of these Standards and Interpretations will have no material impact on the financial statements of the company in the period of initial application.

3 Summary of significant accounting policies:

Basis of preparation:

The financial statements have been prepared in compliance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), in accordance with the applicable requirement of United Arab Emirates law.

The functional and presentation of financial statements are presented in Arab Emirate Dirham (AED). A summary of the significant accounting policies, which have been applied consistently, are set out below:

3.1) Accounting convention and statement of compliance

The financial statements have been prepared in accordance with historical cost convention basis.

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by International Accounting Standards Board (IASB) and the following revised standards and interpretations with respect to approved accounting standards as applicable in U.A.E would be effective from the dates mentioned against the respective standards or interpretations are effective for annual periods.

3.2) Accounting estimates, assumptions and judgement.

The company financial statements prepared in conformity with International Financial Standards (IFRS) for the use of judgements. The estimates and judgements are continually evaluated and are based on historical experience, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates that are affect the stated amounts of assets, liabilities, revenue and expenses at the reporting date. The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the coming financial year are explained in the following notes.

Kashish Worldwide FZE

Ajman Free Zone - Ajman – United Arab Emirates

Notes to the Financial Statements (continued)

For the year ended March 31, 2016

3 Summary of significant accounting policies (continued):

3.3) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and identified impairment loss, if any. The cost comprise of purchase price, levies, duties and directly attributable cost for bringing the asset to its working condition. The depreciation of property, plant and equipment is charged to income using the straight-line method over their estimated useful economic lives as follows.

	Years
Office equipment	5

3.4) Investment in associates

An associate is an entity over which the Entity has significant influence and that is neither a subsidiary nor an interest in joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

3.5) Investment property

Investment properties are the properties held to earn rentals and/or for capital appreciation (including property under construction for such purpose) Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, the entity measure the investment property by adopting 'Cost Mode'

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de recognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

3.6) Trade receivables

Sales made on credit are included in trade receivables at the balance sheet date, and reduced by appropriate allowances for estimated doubtful amounts. Bad debts are written off as and when arise.

3.7) Trade payables

Trade payables being financial liabilities are initially recognized at fair value and carried at nominal value.

Kashish Worldwide FZE

Ajman Free Zone - Ajman – United Arab Emirates

Notes to the Financial Statements (continued)

For the year ended March 31, 2016

3 Summary of significant accounting policies (continued):

3.8) Cash and bank balances

Cash and cash equivalents comprise cash in hand, bank balances and short term deposits with an original maturity of three months or less bank overdrafts.

3.9) Impairment of assets

The carrying amount of the Company's assets are reviewed at each reporting date, to determine whether there is any indication of impairment. If such indication exists, the assets' recoverable amount is estimated. An impairment loss is recognized wherever the carrying of the asset exceeds its recoverable amount. The impairment losses are recognized in statement of comprehensive income.

3.10) Revenue recognition

Revenue from sale of goods, the entity has transferred to the buyer the significant risks and rewards of ownership of the goods, the amount of revenue can be measured reliably, the economic benefit associated with the transaction will flow to the entity, the cost incurred or to be incurred in respect of the transaction can be measured reliably and income on bank deposits is recognized on accrual basis.

3.11) Inventories

Inventories are measured at lower of cost and net realisable value. Cost is determined using weighted average method. Cost of inventories comprise all costs of purchase and where applicable costs of conversion and other costs that have been incurred in bringing the inventories to their present location and condition. Net reliable value represents the estimated selling price less all estimated costs to completion and estimated costs necessary to make the sale.

3.12) Financial expenses

Financial expenses are accounted in the statement of income in the period in which they are incurred.

3.13) Employees' end of service benefits

Employees' end of service benefits are computed pursuant to the United Arab Emirates Federal Labour Law (Federal Law No.8 of 1980 and its subsequent amendments), based on the employees accumulated period of service on current basis remuneration at the balance sheet date.

Employee's terminal benefits are accounted on accrual basis.

Kashish Worldwide FZE

Ajman Free Zone - Ajman – United Arab Emirates

Notes to the Financial Statements (continued)

For the year ended March 31, 2016

3 Summary of significant accounting policies (continued):

3.14) Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of a past events, it is probable that the outflow of resources will be required to settle the obligation, and a reliable estimates of the amount can be made.

3.15) Foreign currencies

Transactions denominated in foreign currencies are initially recorded at the rates of exchange prevailing on the dates of the transactions. Monetary items denominated in foreign currencies are translated at the rates prevailing on the balance sheet date. Gains and losses arising are included in the statement of income. Non-monetary items that are measured in a foreign currency are translated using the exchange rate at the date when the fair value was determined.

In accordance with United Arab Emirates Federal Companies Law No. 8 of 1984, the Company has established a statutory reserve.

3.16) Financial instruments

Financial instruments comprise financial assets and financial liabilities. Financial assets and financial liabilities are recognised on the company's balance sheet when the company has become a party to the contractual provisions of the instrument. A financial asset is any assets that is cash, a contractual right to receive cash or other financial asset, a contractual right to exchange financial instruments under conditions that are potentially favourable or an equity instrument. A financial liability is any liability that is a contractual obligation to deliver cash or another financial asset, or to exchange financial instruments under conditions that are potentially unfavourable.

3.17) Financial assets and liabilities

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to set off the recognized amount and there is an intention to settle on a net basis, or realize the assets and settle the liability simultaneously.

Kahish Worldwide FZE
Ajman -United Arab Emirates

Notes to the Financial Statements (continued)
as at March 31,2016

4	Cash and banks	<u>March 31,</u> <u>2016</u> AED 36,450 <u>1,859,561</u> <u>1,896,011</u>
	Cash on hand	
	Bank balances: Current account	
5	Trade receivables	<u>March 31,</u> <u>2016</u> AED 525,493,156 <u>525,493,156</u>
	Trade receivables	
6	Other receivables and prepayments	<u>March 31,</u> <u>2016</u> AED 5,000 52,611 <u>57,611</u>
	Deposits	
	Miscellaneous	
7	Inventories	<u>March 31,</u> <u>2016</u> AED 5,330,100 <u>5,330,100</u>
	Goods held in the store for sales	

Inventories are valued and certified by management

Kabish Worldwide FZE
Ajman -United Arab Emirates

Notes to the Financial Statements (continued)
as at March 31, 2016

8 Property, plant and equipment

<i>Cost</i>	<u>Office Equipment</u>	<u>Total</u>
As at December 31, 2016	15,800	15,800
As at March 31, 2016	<u>15,800</u>	<u>15,800</u>
<i>Accumulated depreciation</i>		
As at December 31, 2016	384	384
As at March 31, 2016	<u>384</u>	<u>384</u>
<i>Net book value</i>		
As at March 31, 2016	<u>15,416</u>	<u>15,416</u>



Kahish Worldwide FZE
Ajman -United Arab Emirates

Notes to the Financial Statements (continued)
as at March 31,2016

9	Trade and other payables	
		<u>March 31,</u>
		<u>2016</u>
		AED
	Trade payables	491,346,163
		<u>491,346,163</u>
10	Provisions & accrued expenses	
		<u>March 31,</u>
		<u>2016</u>
		AED
	Accrued expenses	40,000
		<u>40,000</u>
11	Retained earnings	
		<u>March 31,</u>
		<u>2016</u>
		AED
	Net profit for the year	51,222,507
	Dividend declared and paid	(10,000,000)
	Closing balance	<u>41,222,507</u>
12	Revenue	
		<u>March 31,</u>
		<u>2016</u>
		AED
	Sales :	556,661,768
		<u>556,661,768</u>

Kahish Worldwide FZE
Ajman -United Arab Emirates

Notes to the Financial Statements (continued)
as at March 31,2016

13 Cost of turnover

	<u>March 31,</u>
	<u>2016</u>
	AED
Add: Purchases(Including direct expenses)	509,777,571
	<u>509,777,571</u>
Less Inventories at the end of the year	(5,330,100)
	<u><u>504,447,471</u></u>

14 Administrative expenses

	<u>March 31,</u>
	<u>2016</u>
	AED
Rent	31,830
Po Box Charges	795
Telephone/ Fax	36,000
Administration expenses	5,846
Management fee	45,000
Legal and professional charges	59,000
Miscellaneous expenses	812,935
	<u>991,406</u>

15 Financial instruments

Financial instruments of the Company comprises of cash at bank, trade receivables, other assets, trade payables, bills payable, due to banks and other liabilities.

Kahish Worldwide FZE
Ajman -United Arab Emirates

Notes to the Financial Statements (continued)
as at March 31,2016

Credit risk

Financial assets which potentially expose the Company to concentration of credit risk comprise principally bank accounts, trade receivables, other receivables.

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

Currency risk

There are no significant exchange rate risks as substantially all financial assets and financial liabilities are denominated in Arab Emirates Dirhams or US Dollars to which the conversion of Dirhams into US Dollar is fixed.

Interest rate risk

The Company is not exposed to any significant interest rate risk.

Fair values

At the balance sheet date, the fair values of financial assets and liabilities at year-end appropriate their carrying amounts.