

AHMAD ABDULLAH & GOH

Chartered Accountants

Ahmad Abdullah & Goh (AF 0381)
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23 June 2015

Our Ref: I29(A)/AIRUL/gn/6.30

The Board of Directors
Indo Amines (Malaysia) Sdn. Bhd.
c/o Indo Amines Limited
W/44, Phase II
Dombivli MIDC
Thane - 421203
Maharashtra, India

Dear Sirs

INDO AMINES (MALAYSIA) SDN. BHD.
AUDIT FOR YEAR ENDED 31 MARCH 2015

We are pleased to enclose 2 bound copies of the audited financial statements for the above period for your retention.

Page 18 is for management information only and is not part of the statutory financial statements. This may be removed before the financial statements are given to third parties.

We shall be pleased to provide you with any further information and explanations which you may require.

Thank you.

Yours faithfully
for **AHMAD ABDULLAH & GOH**



Company No.
956356 - X

INDO AMINES (MALAYSIA) SDN. BHD.
(956356 - X)
(Incorporated in Malaysia)

FINANCIAL STATEMENTS
31 MARCH 2015

AHMAD ABDULLAH & GOH
Chartered Accountants

Company No.
956356 - X

INDO AMINES (MALAYSIA) SDN. BHD.
(Incorporated in Malaysia)

REPORTS AND FINANCIAL STATEMENTS – 31 MARCH 2015

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Company No.
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INDO AMINES (MALAYSIA) SDN. BHD.
(Incorporated in Malaysia)

DIRECTORS' REPORT AND STATEMENT BY DIRECTORS

The directors have pleasure in submitting their report and the audited financial statements of the Company for the year ended 31 March 2015.

PRINCIPAL ACTIVITY

The principal activity of the Company is providing technical consultancy services.

There has been no significant change in the nature of this activity during the financial year.

RESULTS

	RM
Loss for the year after taxation	(21,578)
Retained profit brought forward	15,822
Accumulated losses carried forward	<u>(5,756)</u>

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year.

BAD AND DOUBTFUL DEBTS

- (a) Before the financial statements of the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts, and that all known bad debts had been written off and adequate allowance had been made for doubtful debts.
- (b) At the date of this report, the directors of the Company are not aware of any circumstances that would render the amount written off for bad debts, or the amount of the allowance for doubtful debts, in the Company inadequate to any substantial extent.

Company No.
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CURRENT ASSETS

- (a) Before the financial statements of the Company were made out, the directors took reasonable steps to ascertain whether any current assets, other than debts, were unlikely to realise in the ordinary course of business their value as shown in the accounting records of the Company and to the extent so ascertained, were written down to an amount they might be expected to realise.
- (b) At the date of this report, the directors are not aware of any circumstances that would render the values attributed to the current assets in the financial statements of the Company misleading.

VALUATION METHODS

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing method of valuation of assets or liabilities in the financial statements of the Company misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

- (a) At the date of this report, there does not exist any contingent liability in respect of the Company that has arisen since the end of the financial year.
- (b) No contingent liability or other liability of the Company has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Company to meet its obligations as and when they fall due.

CHANGE OF CIRCUMSTANCES

At the date of this report, the directors are not aware of any circumstances, not otherwise dealt with in this report or the financial statements of the Company, that would render any amount stated in the financial statements misleading.

ITEMS OF AN UNUSUAL NATURE

- (a) The results of the operations of the Company for the financial year were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature.
- (b) There has not arisen in the interval between the end of the financial year and the date of this report, any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the results of the operations of the Company for the current financial year.

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DIRECTORS OF THE COMPANY

(a) Directors who served since the date of the last report are :-

Vijay Bhalchandra Palkar

Rahul Vijay Palkar

Paul Wong Tet On (appointed on 30 March 2015)

David Wong Hup Wen (appointed on 30 March 2015)

Wong Tet Soon (resigned on 31 March 2015)

Chye Bee Chin (resigned on 31 March 2015)

- (b) None of the directors in office at the end of the financial year held any interest in the shares in the Company.
- (c) The Company is a wholly-owned subsidiary of Indo Amines Limited, a company incorporated in India. Vijay Bhalchandra Palkar and Rahul Vijay Palkar by virtue of their interest in the shares in Indo Amines Limited, are deemed interested in the shares in the Company.
- (d) In accordance with the Company's Articles of Association, Rahul Vijay Palkar retires from the Board at the forthcoming Annual General Meeting and, being eligible, offers himself for re-election.
- (e) Paul Wong Tet On and David Wong Hup Wen who were appointed to the Board since the last Annual General Meeting now retire in accordance with the Company's Articles of Association and, being eligible, offer themselves for re-election.

DIRECTORS' BENEFITS

- (a) Since the end of the previous financial year, no director of the Company has received or become entitled to receive any benefit (other than the fees paid to directors) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.
- (b) Neither during nor at the end of the financial year, was the Company a party to any arrangements whose object is to enable the directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

HOLDING AND ULTIMATE HOLDING COMPANY

The directors regard Indo Amines Limited, a company incorporated in India, as the holding and ultimate holding company of the Company.

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STATEMENT BY DIRECTORS

In the opinion of the directors, the financial statements set out on pages 8 to 17 are drawn up in accordance with Accounting Standards for Private Entities and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Company as at 31 March 2015 and of its financial performance and cash flows for the year then ended.

AUDITORS

The auditors, Messrs. Ahmad Abdullah & Goh, Chartered Accountants, have indicated their willingness to continue in office.

Signed on behalf of the Board in accordance with a resolution of the directors,

V. Palkar



.....
VIJAY BHALCHANDRA PALKAR
Director

R. Palkar



.....
RAHUL VIJAY PALKAR
Director

Date: *25th May 2015*

Company No.
956356 - X

INDO AMINES (MALAYSIA) SDN. BHD.
(Incorporated in Malaysia)



STATUTORY DECLARATION

I, VIJAY BHALCHANDRA PALKAR, being the director primarily responsible for the financial management of **INDO AMINES (MALAYSIA) SDN. BHD.**, do solemnly and sincerely declare that the financial statements set out on pages 8 to 17 are to the best of my knowledge and belief correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Notaries Act, 1952.

Subscribed and solemnly declared by the
above-named VIJAY BHALCHANDRA
PALKAR at *Kalyan*..... this
25th day of *May*..... 2015.

VK Palkar

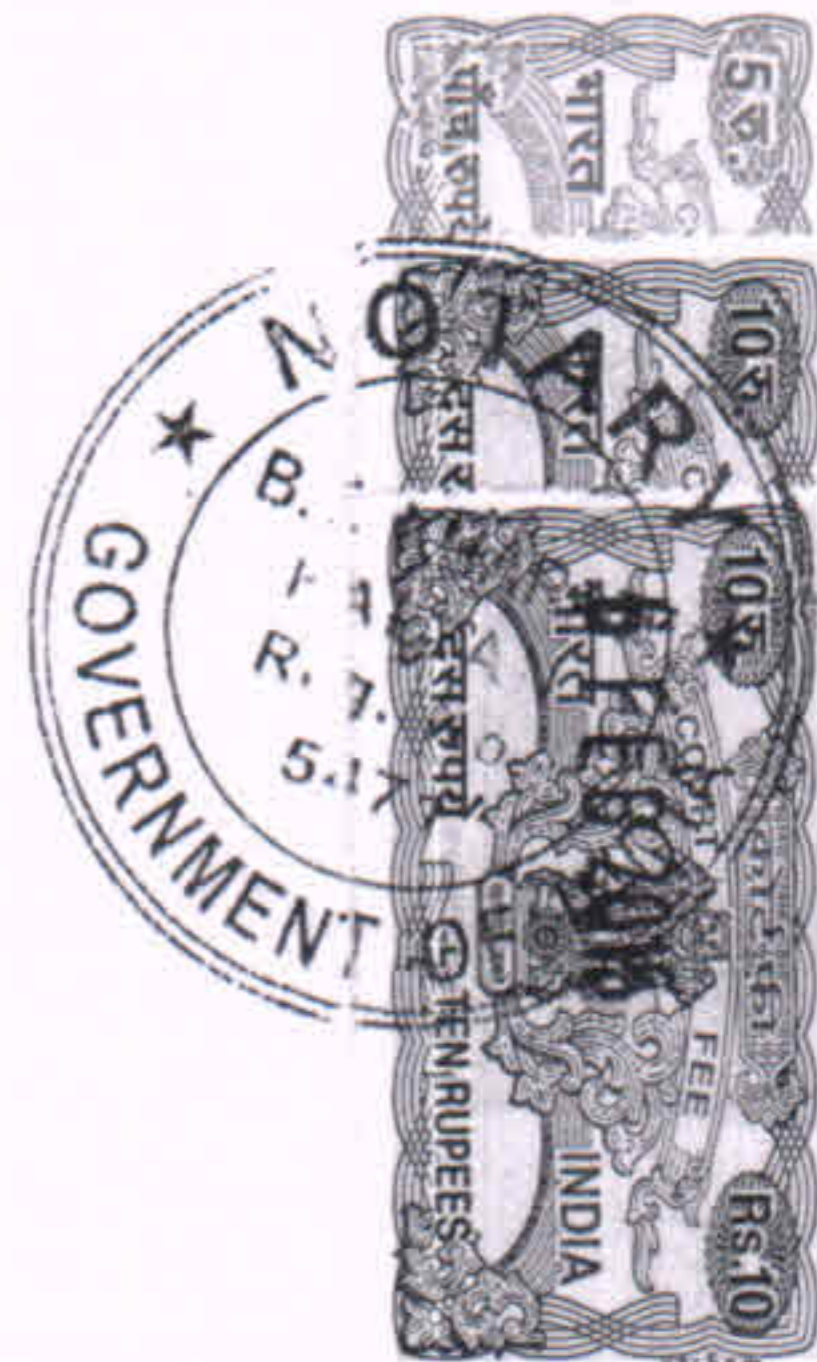


VIJAY BHALCHANDRA PALKAR

Before me:



ATTESTED BY
Bharat 25/5/2015
B. T. KHARAT
B.A.L.L.B.
ADVOCATE & NOTARY
TALUKA-KALYAN
DIST-THANE



25 MAY 2015

Company No.
956356 - X

AHMAD ABDULLAH & GOH

Chartered Accountants

Ahmad Abdullah & Goh (AF 0381)
Suite 701, Wisma Hangsam,
Jalan Hang Lekir,
50000 Kuala Lumpur, Malaysia.

Telephone: 03-20704408
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Facsimile : 03-20704393
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INDO AMINES (MALAYSIA) SDN. BHD.

Report on the Financial Statements

We have audited the financial statements of Indo Amines (Malaysia) Sdn. Bhd., which comprise the balance sheet as at 31 March 2015, and the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 8 to 17.

Directors' Responsibility for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements so as to give a true and fair view in accordance with Accounting Standards for Private Entities and the requirements of the Companies Act, 1965 in Malaysia. The directors are also responsible for such internal controls as the directors determine are 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 approved standards on auditing in Malaysia. 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 risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal controls relevant to the Company's preparation of financial statements that give a 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 Company's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

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

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Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 March 2015 and of its financial performance and cash flows for the year then ended in accordance with Accounting Standards for Private Entities and the requirements of the Companies Act, 1965 in Malaysia.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report that in our opinion, the accounting and other records and the registers required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purposes. We do not assume responsibility to any other person for the contents of this report.



AHMAD ABDULLAH & GOH AF - 0381
Chartered Accountants
Auditors



GOH KENG JUAY 461/05/17(J)
CA(M), FCA(E&W)
Partner

Kuala Lumpur,
26 MAY 2015

Company No.
956356 - X

INDO AMINES (MALAYSIA) SDN. BHD.
(Incorporated in Malaysia)

BALANCE SHEET AT 31 MARCH 2015

	Note	2015 RM	2014 RM
NON-CURRENT ASSETS			
Property, plant and equipment	4	480,924	492,736
CURRENT ASSETS			
Sundry receivables, deposits and prepayments		185	162
Fixed deposit	5	32,112	31,168
Cash and bank balances		56,368	68,324
		88,665	99,654
CURRENT LIABILITIES			
Sundry payables and accruals		29,215	16,350
Due to holding company	6	-	5,802
Term loan	7	8,464	8,685
		37,679	30,837
NET CURRENT ASSETS		50,986	68,817
NON-CURRENT LIABILITIES			
Term loan	7	237,666	245,731
Deferred taxation	8	-	-
		237,666	245,731
NET ASSETS		294,244	315,822
EQUITY			
Share capital	9	300,000	300,000
Retained profit/(Accumulated losses)		(5,756)	15,822
TOTAL EQUITY		294,244	315,822

The notes set out on pages 12 to 17 form an integral part of these financial statements.

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INDO AMINES (MALAYSIA) SDN. BHD.
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INCOME STATEMENT FOR THE YEAR ENDED 31 MARCH 2015

	Note	2015 RM	2014 RM
Revenue	10	-	-
Other income		30,949	15,394
Administrative expenses		(40,605)	(48,633)
Finance cost – Term loan interest		(11,922)	(11,020)
Loss for the year before taxation	11	(21,578)	(44,259)
Taxation	12	-	137
Loss for the year after taxation		<u>(21,578)</u>	<u>(44,122)</u>

The notes set out on pages 12 to 17 form an integral part of these financial statements.

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INDO AMINES (MALAYSIA) SDN. BHD.
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STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED
31 MARCH 2015

	Note	Share Capital RM	Retained Profit/ (Accumulated Losses) RM	Total RM
Balance at 1 April 2013		2	59,944	59,946
Issue of shares	9	299,998	-	299,998
Loss for the year		-	(44,122)	(44,122)
Balance at 31 March 2014		<u>300,000</u>	<u>15,822</u>	<u>315,822</u>
Balance at 1 April 2014		300,000	15,822	315,822
Loss for the year		-	(21,578)	(21,578)
Balance at 31 March 2015		<u>300,000</u>	<u>(5,756)</u>	<u>294,244</u>

The notes set out on pages 12 to 17 form an integral part of these financial statements.

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INDO AMINES (MALAYSIA) SDN. BHD.
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CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2015

	2015 RM	2014 RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(21,578)	(44,259)
Adjustments for :		
Depreciation	11,812	11,812
Interest income	(949)	(952)
Interest expense	11,922	11,020
Operating profit/(loss) before working capital changes	1,207	(22,379)
Receivables	(20)	737
Payables	7,063	2,250
Cash generated from/(used in) operations	8,251	(19,392)
Interest received	946	890
Interest paid	(11,922)	(11,020)
Tax paid	-	(35,826)
Net cash used in operating activities	(2,726)	(65,348)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	-	(1,676)
Net cash used in investing activities	-	(1,676)
CASH FLOWS FROM FINANCING ACTIVITIES		
Term loan repayments	(8,286)	(9,187)
Net cash used in financing activities	(8,286)	(9,187)
Net decrease in cash and cash equivalents	(11,012)	(76,211)
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	99,492	175,703
CASH AND CASH EQUIVALENTS CARRIED FORWARD	88,480	99,492
CASH AND CASH EQUIVALENTS		
Cash in hand	6,216	2,120
Cash at bank	50,152	66,204
Fixed deposit	32,112	31,168
	88,480	99,492

The notes set out on pages 12 to 17 form an integral part of these financial statements.

INDO AMINES (MALAYSIA) SDN. BHD.
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2015

1. GENERAL INFORMATION

- (a) The principal activity of the Company is providing technical consultancy services.
- (b) The Company is a private limited liability company, incorporated and domiciled in Malaysia.
- (c) The registered office of the Company is located at Suite 702, Wisma Hangsam, Jalan Hang Lekir, 50000 Kuala Lumpur.
- (d) The principal place of business of the Company is located at D-18-12 Casa Suites, No.1, Jalan SS 20/27, 47400 Petaling Jaya, Selangor Darul Ehsan.
- (e) The Company is a wholly-owned subsidiary company of Indo Amines Limited, a company incorporated in India.
- (f) The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors passed on 25 MAY 2015

2. BASIS OF PREPARATION

The financial statements of the Company are prepared in accordance with Accounting Standards for Private Entities and the Companies Act, 1965 in Malaysia.

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

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

(b) Property, Plant and Equipment and Depreciation

Property, plant and equipment are stated at cost less accumulated depreciation. The cost of property, plant and equipment comprises their purchase cost and any incidental cost of acquisition. Where an indication of impairment exists, the carrying amount of the asset is assessed and written down immediately to its recoverable amount.

Depreciation is calculated on the straight line basis at rates calculated to write off the cost of the assets over the expected useful lives of the assets concerned. The principal annual rates used for this purpose are as follows :-

Freehold apartment	2%
Furniture and fittings	33.33%

(c) Taxation

The tax expense in the income statement comprises current and deferred tax. Current tax is the expected amount of income tax payable in respect of taxable profit for the year and is measured using the tax rates that have been enacted at the balance sheet date.

Deferred taxation is provided for, using the liability method, on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts in the financial statements. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

Deferred taxation is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the balance sheet date.

(d) Revenue Recognition

- (i) Revenue from technical consultancy services is recognised when the services are rendered.
- (ii) Interest income is recognised on the accrual basis.
- (iii) Rental income is recognised on the accrual basis.

(e) Cash Flow Statement

The Company adopts the indirect method in the preparation of the cash flow statement. Cash and cash equivalents represent cash and bank balances and fixed deposit.

(f) Share Capital

Ordinary shares are presented as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

4. PROPERTY, PLANT AND EQUIPMENT

Details are as follows:-

	Freehold Apartment RM	Furniture and Fittings RM	Total RM
Cost			
Balance at 1.4.2014	510,000	4,836	514,836
Balance at 31.3.2015	<u>510,000</u>	<u>4,836</u>	<u>514,836</u>
Accumulated Depreciation			
Balance as at 1.4.2014	20,400	1,700	22,100
Charge for the year	10,200	1,612	11,812
Balance as at 31.3.2015	<u>30,600</u>	<u>3,312</u>	<u>33,912</u>
Net Book Value			
Balance as at 31.3.2015	<u>479,400</u>	<u>1,524</u>	<u>480,924</u>
Balance as at 31.3.2014	<u>489,600</u>	<u>3,136</u>	<u>492,736</u>
Depreciation for the year 2014	<u>10,200</u>	<u>1,612</u>	<u>11,812</u>

The freehold apartment is charged to a bank for a term loan facility obtained by the Company to part finance the purchase of the freehold apartment.

5. FIXED DEPOSIT

The fixed deposit placed with a licensed bank bears interest at the rate of 3.05% (2014 : 2.90%) per annum and has a maturity period of 1 month (2014 : 1 month).

6. DUE TO HOLDING COMPANY

The holding company is Indo Amines Limited, a company incorporated in India. The amount due is unsecured, interest-free with no fixed terms of repayment.

7. TERM LOAN

	2015 RM	2014 RM
RM264,000 term loan	246,130	254,416
Less : Principal portion due within the next 12 months	8,464	8,685
Non-current portion	<u>237,666</u>	<u>245,731</u>

The non-current portion of the term loan is repayable as follows :-

After one and up to two years	8,930	9,093
After two and up to five years	29,434	29,925
After five years	199,302	206,713
	<u>237,666</u>	<u>245,731</u>

- (a) The term loan is repayable by 240 monthly instalments of RM1,684 each inclusive of interest.
- (b) Interest is charged at the rate of 2% per annum below the bank's base lending rate. Interest charged during the financial year were at rates from 4.60% to 4.85% (2014: 4.60%) per annum.
- (c) The term loan is secured by a first party legal charge over the Company's freehold apartment.

8. DEFERRED TAXATION

Details of deferred taxation are as follows :-

	2015 RM	2014 RM
Balance brought forward	-	(572)
Transfer to income statement	-	572
Balance carried forward	<u>-</u>	<u>-</u>
	2015 RM	2014 RM
Taxable temporary differences :		
Depreciation and capital allowance on property, plant and equipment	(965)	(2,464)
Deductible temporary differences :		
Unrelieved tax losses	26,076	23,588
Unabsorbed capital allowances	1,922	1,788
	<u>27,998</u>	<u>25,376</u>
Net deductible temporary difference	<u>27,033</u>	<u>22,912</u>
Deferred taxation assets at 25% not recognised	<u>6,758</u>	<u>5,728</u>

9. SHARE CAPITAL

	2015 RM	2014 RM
Authorised:		
500,000 ordinary shares of RM1 each	<u>500,000</u>	<u>500,000</u>
Issued and fully paid :		
Ordinary shares of RM1 each		
Balance brough forward	300,000	2
Increased during the year	<u>-</u>	<u>299,998</u>
Balance carried forward	<u>300,000</u>	<u>300,000</u>

10. REVENUE

There is no revenue for the current and immediate preceding financial year as the Company did not secure any consultancy work.

11. LOSS BEFORE TAXATION

This is arrived at after charging/(crediting) :-

	2015 RM	2014 RM
Audit fee	3,000	3,000
Directors' fees	12,000	12,000
Depreciation	11,812	11,812
Fixed deposit interest	(949)	(952)
Rental income	<u>(30,000)</u>	<u>(14,442)</u>

12. TAXATION

	2015 RM	2014 RM
Taxation for the year	-	-
Underprovision in previous year	-	(435)
Deferred taxation	<u>-</u>	<u>572</u>
Tax credit for the year	<u>-</u>	<u>137</u>

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Taxation is calculated at the Malaysian statutory tax rate of 25% on the estimated assessable profit for the year. A reconciliation of income tax expense applicable to loss before taxation at the statutory income tax rate to income tax expense at the effective income tax rate is as follows :-

	2015 RM	2014 RM
Loss before taxation	<u>(21,578)</u>	<u>(44,259)</u>
Taxation at the rate of 25%	5,395	11,065
Non-deductible expenses	(4,093)	(4,765)
Underprovision in previous year	-	(435)
Deferred taxation assets not recognised for the current year	<u>(1,302)</u>	<u>(5,728)</u>
Tax credit for the year	<u>-</u>	<u>137</u>

Company No.
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INDO AMINES (MALAYSIA) SDN. BHD.
(Incorporated in Malaysia)

DETAILED INCOME STATEMENT FOR THE YEAR ENDED 31 MARCH 2015

	2015 RM	2014 RM
Revenue	-	-
Add: Other Income		
Fixed deposit interest	949	952
Rental income	30,000	14,442
	30,949	15,394
Less: Administrative Expenses		
Audit fee	3,000	3,000
Secretarial fee	2,400	2,400
Directors' fees	12,000	12,000
Bank charges	156	250
Accountancy fee	1,500	1,500
Taxation services fee	1,500	3,000
Professional fees	-	1,250
Service tax	540	864
Electricity charges	-	32
Sundry expenses	-	50
Travelling expenses	-	160
Registered office fee	400	200
Depreciation	11,812	11,812
Quit rent and assessment	832	302
Maintenance charges	4,555	4,555
Water charges	148	51
Penalty	110	459
Commission	-	2,500
Upkeep of premises	-	2,923
Insurance	197	213
Printing and stationery	1,305	962
Filing fee	150	150
	40,605	48,633
Finance cost		
Term loan interest	11,922	11,020
	52,527	59,653
Loss before taxation	(21,578)	(44,259)

This statement does not form part of the statutory financial statements.