

HABRAS INTERNATIONAL (SINGAPORE) PTE. LTD.
(Incorporated in the Republic of Singapore)
Reg. No: 201531131R

FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 06 AUGUST 2015
(DATE OF INCORPORATION) TO 31 MARCH 2016

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HABRAS INTERNATIONAL (SINGAPORE) PTE. LTD.
(Incorporated in the Republic of Singapore)

DIRECTORS' STATEMENT
FOR THE FINANCIAL PERIOD FROM 06 AUGUST 2015 (DATE OF INCORPORATION) TO
31 MARCH 2016

The directors' are pleased to present their statement to the members together with the audited financial statements of Habras International (Singapore) Pte.Ltd. (the "Company") for the financial period from 06 August 2015 (date of incorporation) to 31 March 2016.

Opinion of the directors

In our opinion,

- (a) the financial statements of the Company are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2016 and the financial performance, changes in equity and cash flows of the Company for the financial period from 06 August 2015 (date of incorporation) to 31 March 2016; and
- (b) at the date of this statement, having regard to the financial support from the immediate holding company, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

The directors of the Company in office at the date of this statement are as follows:

Pallipakkam Sivarama Ramanathan
Gupta Vikas

Arrangements to enable directors to acquire shares or debentures

Neither at the end of nor at any time during the financial period was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other body corporate

Directors' interest in shares or debentures:

None of the directors, who held office at the end of the financial period, had, according to the register of the directors' shareholdings required to be kept under section 164 of the Companies Act, hold an interest or deemed to have an interest in shares of the Company.

Share options

There were no share options granted during the financial period to subscribe for unissued shares of the Company.

There were no shares issued during the financial period by virtue of the exercise of options to take up unissued shares of the Company.

There were no unissued shares of the Company under option at the end of the financial period.

HABRAS INTERNATIONAL (SINGAPORE) PTE. LTD.
(Incorporated in the Republic of Singapore)

**DIRECTORS' STATEMENT
FOR THE FINANCIAL PERIOD FROM 06 AUGUST 2015 (DATE OF INCORPORATION) TO
31 MARCH 2016**

Auditor:

MGI N Rajan Associates has expressed its willingness to accept re-appointment as auditor.

The Board of Directors

Pallipakkam Sivarama Ramanathan
Director

Gupta Vikas
Director

Date: **25 APR 2016**

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF HABRAS INTERNATIONAL (SINGAPORE) PTE.LTD.**

Report on the Financial statements

We have audited the accompanying financial statements of Habras International (Singapore) Pte. Ltd.(the "Company"), which comprise the statement of financial position of the Company as at 31 March 2016, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the Company for the financial period from 06 August 2015 (date of incorporation) to 31 March 2016, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity'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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the financial position of the Company as at 31 March 2016, and of the financial performance, changes in equity and cash flows of the Company for the financial period from 06 August 2015 (date of incorporation) to 31 March 2016.

Emphasis of matter

We draw attention to note 2.9 which describes going concern basis. We wish to highlight that as at 31 March 2016, the company's current liabilities exceeded current assets by US\$ 3,674 and total liabilities exceeded total assets by the same. The financial statements of the Company have been prepared on a going concern basis as the immediate holding company has undertaken to provide continuing support until such time as the Company is able to operate on its own financial resources.

Report on other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

**MGI N RAJAN ASSOCIATES
PUBLIC ACCOUNTANTS AND CHARTERED ACCOUNTANTS**

Singapore
Date: 25 APR 2016

HABRAS INTERNATIONAL (SINGAPORE) PTE. LTD.
(Incorporated in the Republic of Singapore)

BALANCE SHEET
AS AT 31 MARCH 2016

	Note	US\$
ASSETS		
Current assets		
Other receivables	4	991
Total assets		<u>991</u>
LIABILITIES		
Current liabilities		
Other payables	5	4,665
Total liabilities		<u>4,665</u>
NET (LIABILITIES)		<u>(3,674)</u>
EQUITY		
Share capital	6	1,000
Reserves		(4,674)
Total equity		<u>(3,674)</u>

(The annexed notes form an integral part of and should be read in conjunction with these financial statements.)

HABRAS INTERNATIONAL (SINGAPORE) PTE. LTD.
(Incorporated in the Republic of Singapore)

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD FROM 06 AUGUST 2015 (DATE OF INCORPORATION) TO
31 MARCH 2016**

	Note	US\$
Revenue		-
Other income: Exchange gain		84
Expenses		
Incorporation expenses		(889)
Professional fee		(3,869)
(Loss) for the period before tax		<u>(4,674)</u>
Tax expense	3	-
(Loss) for the period after tax		<u>(4,674)</u>
Other comprehensive income		-
Total comprehensive income		<u>(4,674)</u>

(The annexed notes form an integral part of and should be read in conjunction with these financial statements.)

HABRAS INTERNATIONAL (SINGAPORE) PTE. LTD.
(Incorporated in the Republic of Singapore)

STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD FROM 06 AUGUST 2015 (DATE OF INCORPORATION) TO
31 MARCH 2016

	Share capital US\$	Reserves US\$	Total US\$
As on date of incorporation	1,000	-	1,000
Total comprehensive income for the period	-	(4,674)	(4,674)
Balance as at 31 March 2016	1,000	(4,674)	(3,674)

(The annexed notes form an integral part of and should be read in conjunction with these financial statements.)

HABRAS INTERNATIONAL (SINGAPORE) PTE. LTD.
(Incorporated in the Republic of Singapore)

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD FROM 06 AUGUST 2015 (DATE OF INCORPORATION) TO
31 MARCH 2016

	Note	US\$
Cash flows from operating activities		
Net (loss) for the period before tax		(4,674)
Operating (loss) before reinvestment of capital		<u>(4,674)</u>
Other receivables		(991)
Other payables		4,665
Net cash used in operating activities		<u>(1,000)</u>
Cash flows from financing activities		
Issue of shares		1,000
Net cash provided by financing activities		<u>1,000</u>
Net increase in cash and cash equivalents		-
Cash & cash equivalents at the beginning of the period		-
Cash & cash equivalents at the end of the period		<u>-</u>

(The annexed notes form an integral part of and should be read in conjunction with these financial statements.)

HABRAS INTERNATIONAL (SINGAPORE) PTE. LTD.
(Incorporated in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 06 AUGUST 2015 (DATE OF INCORPORATION) TO
31 MARCH 2016

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. GENERAL INFORMATION

The Company was incorporated on 06 August 2015 as a limited liability Company and domiciled in the Republic of Singapore.

The Company's registered office address is at 10, Jalan Besar, #10-03, Sim Lim Tower, Singapore 208787.

The principal activity of the Company is that of holding investments. However the Company has not started business during the period.

The financial statements of the Company for the period from 06 August 2015 (date of incorporation) to 31 March 2016 were authorised for issue in accordance with a resolution of the directors on the date of the Statement by Directors.

The Company's immediate holding company is JK Enviro-Tech Limited and ultimate holding company is JK Paper Limited incorporated in India.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS"). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of these financial statements in conformity with Singapore Financial Reporting Standards requires management to exercise its judgment in the process of applying the Company's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The Company has assessed that there are no estimates or judgement used that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

2.2 Financial assets

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except those maturing later than 12 months after the balance sheet date which are presented as non-current assets. Loans and receivables are presented as "trade and other receivables" and "cash and cash equivalents in the balance sheet.

Initial measurement

Financial assets are initially recognised at fair value plus transaction costs

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 06 AUGUST 2015 (DATE OF INCORPORATION) TO
31 MARCH 2016**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT'D....

2.2 Financial assets cont'd...

Subsequent measurement

Loans and receivables are carried at amortised cost using the effective interest method.

Impairment

The Company assesses at each balance sheet date whether there is objective evidence that a financial asset or a company of financial assets is impaired.

Loans and receivables

An allowance for impairment of loans and receivables, including trade and other receivables is recognised when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganization and default or delinquency in payments are considered indicators that the receivable is impaired. The amount of allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The amount of the allowance for impairment is recognised in the income statement within "Administrative expenses".

2.3 Financial liabilities

Financial liabilities include Trade and other payables. Financial liabilities are recognised on the balance sheet when, and only when, the company becomes a party to the contractual provisions of the financial instrument. Financial liabilities are initially recognised at fair value of the consideration received less directly attributable transaction costs and subsequently measured at amortized cost using the effective interest rate method.

Gains and losses are recognised in the income statement when the liabilities are de-recognised as well as through the amortization process. The liabilities are de-recognised when the obligation under the liability is discharged or cancelled or expired

2.4 Provisions

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

2.5 Cash and cash equivalents

For the purpose of presentation in the cash flow statement, cash and cash equivalents represent cash on hand/ bank.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 06 AUGUST 2015 (DATE OF INCORPORATION) TO
31 MARCH 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT'D....

2.6 Currency translation

Functional currency

Items included in the financial statements of the Company are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to the Company ("the functional currency"). The financial statements of the Company are presented in United States Dollars, which is also the functional currency of the Company.

Conversion of foreign currencies

Monetary assets and liabilities in foreign currencies are translated into United States Dollars at rates of exchange closely approximating those ruling at balance sheet date. Exchange differences arising from such transactions are recorded in the income statement in the period in which they arise.

However, where a foreign currency transaction is to be settled at a contracted rate or is covered by a related or matching forward exchange contract, the rate of exchange specified in the contract will be used and any corresponding monetary assets or liabilities will not be retranslated.

2.7 Income taxes

Current income tax is recognised at the amounts expected to be paid to (or recovered from) the tax authorities.

Deferred tax liabilities are recognised for all taxable temporary differences unless the deferred tax liability arises from the initial recognition of an asset or liability and affects neither the accounting profit nor taxable profit or loss.

The statutory tax rates enacted at the balance sheet date are used to determine current and deferred income tax.

2.8 Share capital

Incremental external costs directly attributable to the issue of new shares, other than on a business combination, are shown in equity as a deduction, net of tax, from the proceeds. Share issue costs incurred directly in connection with a business combination are included in the cost of acquisition.

2.9 Going concern

The financial statements are prepared on a going concern basis on the assumption that the Company will be able to obtain the necessary financial support from their immediate holding company to continue its operations as a going concern.

HABRAS INTERNATIONAL (SINGAPORE) PTE. LTD.
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 06 AUGUST 2015 (DATE OF INCORPORATION) TO
31 MARCH 2016

3. TAX EXPENSE

No provision for tax is made in the current period, as there was no income for the year.

4. OTHER RECEIVABLES

Prepayments	US\$ 991
	<hr/> 991

5. OTHER PAYABLES

Other creditors	US\$ 3,000
Accruals	1,665
	<hr/> 4,665

6. SHARE CAPITAL

	No. of shares	Amount in US\$
Ordinary shares		
Issued & fully paid up	1,000	1,000
	<hr/> 1,000	<hr/> 1,000

An ordinary share has no par value and carries one vote per share without restriction.

7. CAPITAL MANAGEMENT

The Board's policy is to maintain a strong capital base so as to maintain creditor and market confidence and to sustain future development by issuing or redeeming equity and debts instruments when necessary.

The Board of Director's monitors its capital based on gearing ratio. Gearing ratio is computed as net debt divided by total capital. Net debt is calculated as borrowings plus trade and other payables less cash and bank deposits. Total capital is calculated as equity plus net debt.

The Company is not subject to any externally imposed capital requirements.

Net debt	US\$ 4,665
Total equity	(3,674)
Total capital	<hr/> 991
 Gearing ratio	 <hr/> 5 times

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 06 AUGUST 2015 (DATE OF INCORPORATION) TO
31 MARCH 2016

8. FINANCIAL RISK MANAGEMENT

The Company has been dormant during the period since the financial risk management is not applicable

a) Fair value instruments by category

The carrying amount of the different categories of financial instruments is as follows:-

	US\$
Loans and receivables	-
Financial liabilities at amortised cost	4,665

9. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

The carrying amount of financial assets and financial liabilities recorded in the financial statements represents their respective net fair values, determined in accordance with the accounting policies disclosed in Note 2 to the financial statements.

10. NEW ACCOUNTING STANDARDS AND FRS INTERPRETATION ISSUED AND NOT ADOPTED

The Company has not applied the following new/revised FRS or interpretations that have been issued as of the balance sheet date but not yet effective:

Description	Annual periods commencing on
FRS 114:Regulatory Deferral Accounts	1 January 2016
FRS 27:Equity Method in Separate Financial statements	1 January 2016
FRS 16 and FRS 38:Classification of acceptable methods of Depreciation and Amortisation	1 January 2016
FRS 111:Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
FRS 115:Revenue from contracts with customers	1 January 2017
FRS 110 and FRS 28: Sale of Contribution of Assets between an investor and its Associate or Joint Venture	1 January 2016
FRS 105 Non-current Assets Held for Sale and Discounted Operations	1 January 2016
FRS 107 Financial instruments: Disclosures	1 January 2016
Amendment to FRS 19 Employee benefits	1 January 2016
Amendment to FRS 34 Interim Financial Reporting	1 January 2016
FRS 109 Financial Instruments	1 January 2018

The initial application of these standards and interpretations, where applicable, are not expected to have any material impact on the financial statements of the Company.

11. COMPARATIVES

No comparative figures are shown as this is the first set of financial statement after the date of incorporation of the Company.

HABRAS INTERNATIONAL (SINGAPORE) PTE. LTD.
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(This does not form part of audited financial statements)

DETAILED INCOME STATEMENT FOR THE FINANCIAL PERIOD FROM 06 AUGUST 2015 (DATE
OF INCORPORATION) TO 31 MARCH 2016

	US\$
Revenue	-
Other income	
Exchange gain	84
	<u>84</u>
Expenses	
Audit fee	1,110
Incorporation expenses	888
Nominee director fee	1,480
Nominee secretary fee	296
Professional fee	777
Registered office facility fee	207
Total expenses	<u>4,758</u>
Net (loss) for the period	<u>(4,674)</u>