



SAPRA & KALRA
CHARTERED ACCOUNTANTS

SAMIR VAID
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ASHISH SAPRA
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AUDITOR'S REPORT

We have audited the attached Balance Sheet of Haas International B.V. Kableweg 37, 1014 BA Amsterdam as on March 31, 2016, the Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the management of Haas International B.V. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management as well as evaluating the overall financial statements presentations. We believe that our audit provides a reasonable basis for our opinion.

Further we report that,

1. We have obtained all information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
2. In our opinion proper books of account to the extent required by the Indian laws have been maintained by the Corporation so far as appears from our examination of those books.
3. The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
4. In our opinion and to the best information an according to the explanations given to us, the financial statements comply with the applicable accounting standards and give a true and fair view in conformity with the accounting principles generally accepted in India:-
 - a). In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016, and
 - b). In the case of Profit and Loss account of the loss for the year ended on that date.
 - c). In the case of the Cash Flow Statement, of the Cash Flow for the year ended on that date.

NEW DELHI.

DATED: 19/05/2016

For SAPRA & KALRA
[FIRM REGISTRATION NO 012421N]
CHARTERED ACCOUNTANTS


(CA: SAMIR VAID)
PARTNER
M.NO.091309

HAAS International B.V.
Balance Sheet as at 31st March 2016

	Schedule	As at 31st March 2016 (INR)	As at 31st March 2016 (EURO)	As at 31st March 2015 (INR)	As at 31st March 2015 (EURO)
Sources of Funds :					
Shareholders' Funds					
Share Capital	I	1,087,943	18,000	1,087,943	18,000
Share Premium		177,045,454	2,713,152	170,838,564	2,626,834
Reserve & Surplus	II	(160,394,870)	(2,443,719)	(3,041,563)	(45,258)
Foreign Translation reserve		1,239,000	-	(587,438)	-
		<u>18,977,527</u>	<u>287,433</u>	<u>168,297,506</u>	<u>2,599,576</u>
Current liabilities & Provisions					
Payables	VI	922,398	12,283	258,295	3,826
		<u>922,398</u>	<u>12,283</u>	<u>258,295</u>	<u>3,826</u>
		<u>19,899,925</u>	<u>299,716</u>	<u>168,555,801</u>	<u>2,603,402</u>
Application of Funds :					
Intangible Fixed Assets					
Trademark	III	3,372,142	51,778	4,116,045	62,066
Investment					
Investment in Group Entities	IV	12,139,460	189,501	128,161,340	2,000,641
Long Term Loans & Advances					
Loans Granted to Group entities	V	1,006,247	13,400	34,117,408	508,685
		<u>16,517,849</u>	<u>254,679</u>	<u>166,394,793</u>	<u>2,571,392</u>
Current Assets and Loans & Advances					
(a) Cash and cash equivalents	VI	909,707	12,114	407,020	6,029
(b) Amount owed by Group Entity		1,951,056	25,981	1,753,988	25,981
(c) Prepayments		521,313	6,942	-	-
		<u>3,382,076</u>	<u>45,037</u>	<u>2,161,008</u>	<u>32,010</u>
Miscellaneous Expenditure					
(To the extent not written off or adjusted)		-	-	-	-
Total Assets		<u>19,899,925</u>	<u>299,716</u>	<u>168,555,801</u>	<u>2,603,402</u>

Notes To Accounts

Schedule- A

This is the Balance Sheet referred to in our report of even date.

The Schedules referred to above form an integral part of this Balance sheet

For and on behalf of
SAPRA & KALRA
CHARTERED ACCOUNTANTS

SAMIR VAID
PARTNER
MEMBERSHIP NO 091308



New Delhi

Dated:- 19/05/2016

HAAS International B.V.
Profit and Loss for the year ending as on 31st, March 2016

	Schedule	As at 31st March, 2016 (INR)	As at 31st March, 2016 (EURO)	As at 31st March, 2015 (INR)	As at 31st March, 2015 (EURO)
Holding Activities					
Result from Interests in group entities		-	-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditure					
Currency exchange result		2,179,280	45,856	(3,871,930)	(52,873)
General and Administrative Expenses	VII	1,578,194	21,826	889,351	11,480
		<u>3,757,474</u>	<u>67,682</u>	<u>(2,982,579)</u>	<u>(41,393)</u>
Resulting Subsidiaries		153,595,833	2,330,779	-	-
Net Results before Taxation		(157,353,307)	(2,398,461)	2,982,579	41,393
Balance carried forward to Balance Sheet		<u>(157,353,307)</u>	<u>(2,398,461)</u>	<u>2,982,579</u>	<u>41,393</u>

Notes To Accounts

Schedule- A

This is the Profit and Loss Account referred to in our report of even date.

The Schedules referred to above form an integral part of this Balance sheet

For and on behalf of

SAPRA & KALRA
 CHARTERED ACCOUNTANTS



SAMIR VAID
 PARTNER
 MEMBERSHIP NO 091309

NEW DELHI

DATED:- 19/05/2016

HAAS International B.V.
Schedules forming part of the Balance Sheet

	As at 31st March 2016 (INR)	As at 31st March 2016 (EURO)	As at 31st March 2015 (INR)	As at 31st March 2015 (EURO)
Schedule :I:				
Share Capital				
Authorized				
9000.00 Equity Shares of EURO 10 each	5,439,717	90,000	5,439,717	90,000
Issued, subscribed and paid-up				
1800.00 Equity Shares of EURO 10 each	1,087,943	18,000	1,087,943	18,000
	<u>1,087,943</u>	<u>18,000</u>	<u>1,087,943</u>	<u>18,000</u>
Schedule :II:				
Reserves & Surplus				
Opening Balance	(3,041,563)	(45,258)	(6,024,142)	(86,651)
Add: Profit & Loss for the year	(157,353,307)	(2,398,461)	2,982,579	41,393
	<u>(160,394,870)</u>	<u>(2,443,719)</u>	<u>(3,041,563)</u>	<u>(45,258)</u>
Schedule :III:				
Trade Mark				
	3,372,142	51,778	4,116,045	62,066
	<u>3,372,142</u>	<u>51,778</u>	<u>4,116,045</u>	<u>62,066</u>
Schedule :IV:				
Investment				
Investment in Group Entities				
KS615 Limited (Previously Barwood Products Limited)	128,161,340	2,000,641	128,161,340	2,000,641
Less: Provision for impairment	116,021,880	1,811,140	-	-
	<u>12,139,460</u>	<u>189,501</u>	<u>128,161,340</u>	<u>2,000,641</u>
Schedule :V:				
Loans granted to group entities				
KS615 Limited (Previously Barwood Products Limited)	38,738,956	533,039	34,117,408	508,685
Less: Provision for impairment	37,732,710	519,639	-	-
	<u>1,006,247</u>	<u>13,400</u>	<u>34,117,408</u>	<u>508,685</u>
Schedule :VI:				
Current Assets & Loans and Advances				
(a) Cash at Bank Balance				
Balance in current accounts	909,707	12,114	407,020	6,029
	<u>909,707</u>	<u>12,114</u>	<u>407,020</u>	<u>6,029</u>
(b) Amount owed by Group Entity				
Alchemy International Coop. U. A.	1,951,056	25,981	1,753,988	25,981
	<u>1,951,056</u>	<u>25,981</u>	<u>1,753,988</u>	<u>25,981</u>
(c) Prepayments				
	521,313	6,942	-	-
	<u>521,313</u>	<u>6,942</u>	<u>-</u>	<u>-</u>
Schedule :VII:				
Current liabilities & Provisions				
Creditors	808,779	10,770	-	-
Management Fees	-	-	156,152	2,313
Tax Advisory Fees	113,619	1,513	102,143	1,513
	<u>922,398</u>	<u>12,283</u>	<u>258,295</u>	<u>3,826</u>



HAAS International B.V.
Schedules forming part of the Profit & Loss Account

	As at 31st March 2016 (INR)	As at 31st March 2016 (EURO)	As at 31st March 2015 (INR)	As at 31st March 2015 (EURO)
Schedule :VII:				
General & Administrative Expenses				
Management Fees	669,353	9,257	592,642	7,650
Tax Advisory Fees	109,402	1,513	96,837	1,250
Bank Charges	55,537	768	37,185	480
Depreciation	743,903	10,288	-	-
Other General Expenses	-	-	162,686	2,100
	<u>1,578,194</u>	<u>21,826</u>	<u>889,351</u>	<u>11,480</u>



HAAS International B.V.
Cash Flow Statement for the year ended 31 March 2016

(Amount in Rs.)

A. CASH FLOW FROM OPERATING ACTIVITIES

	Year ended 3/31/2016	Year ended 3/31/2015
Net Profit before tax	(157,353,307)	2,982,579
Adjustments for:		
Depreciation and amortisation	743,903	
Foreign Translation Reserve	1,826,438	(7,128,517)
Operating Profit before working capital changes	<u>(154,782,966)</u>	<u>(4,145,938)</u>
Adjustments for :		
Trade/other receivable	(718,381)	(30,451)
Trade / other payables	664,103	(57,643)
Cash generated from operations	<u>(154,837,244)</u>	<u>(4,234,032)</u>
Direct taxes paid	-	-
Net cash from operating activities	<u>(154,837,244)</u>	<u>(4,234,032)</u>

B. CASH FLOW FROM INVESTING ACTIVITIES

Purchase of investments (including investment in subsidiary Rs. 128.16 millions (previous year Rs. 108.19millions))	116,021,880	-
Loans and advances	33,111,161	(14,047,598)
Purchase of fixed assets including capital work in progress (Trademark)	-	-
Net cash used in investing activities	<u>149,133,041</u>	<u>(14,047,598)</u>

C. CASH FLOW FROM FINANCING ACTIVITIES

Share Premium money received	6,206,890	17,333,900
Net cash used in financing activities	<u>6,206,890</u>	<u>17,333,900</u>
Net increase in cash and cash equivalent	502,687	(947,730)
Cash and cash equivalents in the beginning	407,020	1,354,750
Cash and cash equivalents at the close	<u>909,707</u>	<u>407,020</u>

Cash Flow Statement for the year ended 31 March 2016 (Continued)

Note:

Cash and cash equivalent include:
Cash and cheques in hand and remittances in transit
Balances with bank
Cash and cash equivalents
Balances in fixed deposit accounts - pledged
Balances in unpaid dividend accounts
Bonus fraction 2005 account
Share split fraction 2006 account
Balance in post office savings account (pledged)
Balance with bank not considered as cash equivalents
Cash and bank balances as per Balance Sheet

	Year ended 31st March 2016	Year ended 31st March 2015
	909,707	407,020
	<u>909,707</u>	<u>407,020</u>
	-	-
	-	-
	-	-
	-	-
	-	-
	<u>909,707</u>	<u>407,020</u>



HAAS International B.V.

SCHEDULE-A

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH, 2016

1. SIGNIFICANT ACCOUNTING POLICIES

A. Accounting Methodology:

- i) The Financial Statements are prepared on historical basis.
- ii) The Organization follows the accrual method of accounting.

B. Investments:

Investments are stated at cost.

2. Foreign Exchange Transactions:

For the purpose of translation of foreign exchange transactions, the operations have been treated as non-integral foreign operations. The translation was done on the following basis:


- i) Assets & Liabilities, monetary items at closing rate.
- ii) Non monetary items at rates prevailing on the date of transaction,
- iii) Income and expense items at average exchange rates prevailing during the year, And all resulting exchange differences are accumulated in foreign currency translation reserve and shown in the balance sheet.

3. IN THE OPINION OF THE BOARD OF DIRECTORS OF THE COMPANY:

- i) All the assets of the company as appearing in the Balance Sheet are realizable in the ordinary course of Business.
- ii) No personal expenses have been debited to the revenue accounts.

As per our report on even date

**For SAPRA & KALRA
CHARTERED ACCOUNTANTS**


**CA: SAMIR VAID
PARTNER
M.NO.091309**

DATE: 19/05/2016
NEW DELHI: