



AUDITORS REPORT

TO THE BOARD OF DIRECTORS OF HSIL LTD.

We have verified the accompanying financial statements of QUEO BATHROOMS INNOVATIONS LIMITED, expressed in INR, which comprises of Balance Sheet as at 31st March, 2018 and also the Profit & Loss Account & Cash flow Statement of the Company for the year ended on that date, duly converted into IND AS and we have signed under reference to this certificate.

The conversion has been done by the management of HSIL LTD. ("the Company") being the holding company of Queo Bathrooms Innovations Limited ("the subsidiary"), in accordance with generally accepted accounting practice in India and other recognized accounting practices and policies followed by the Company to enable their incorporation in the consolidated financial statements of the Company pursuant to IND AS 27- Consolidated & Separate Financial Statements – prescribed by the Central Government of India.

The conversion of these financial statements into the relevant formats is the responsibility of the management of the Company. Our responsibility is to certify whether these financial statements and relevant formats prepared for the purpose outlined above and verified by us are accurate and in accordance with the generally accepted auditing standards in India.

The management of the company has considered the operation of its subsidiary as "Non Integral Foreign Operation" and accounting treatment for the conversion of subsidiary's financial statements has been done as set out in the IND AS – 21 "The effects of changes in the Foreign Exchange Rates" prescribed by the Central Government of India.

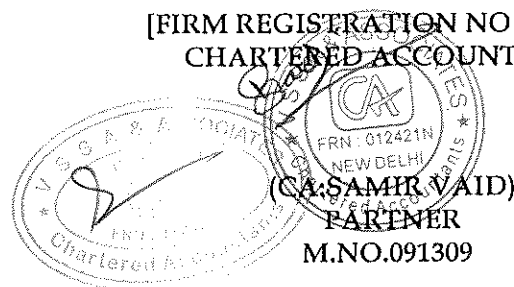
Based on our verification and on the basis of information and explanations given to us, the accompanying converted financial statements and relevant formats of the Subsidiary read with notes thereon and attached thereto have been converted as per the requirements of IND AS - 21 and are in conformity with generally accounting principles and other recognized accounting practices and policies in India.

This certificate is intended solely for the information and use of the Company and its statutory auditors in connection with their audit of consolidated financial statements of the Company. We do not accept or assume any liability or duty of care for any other purposes or to any third parties to whom the certificate is shown, or into whose hands it may come, save where expressly agreed by our prior consent in writing.

For V S S A & ASSOCIATES
[FIRM REGISTRATION NO 012421N]
CHARTERED ACCOUNTANTS

NEW DELHI.

DATED: 14-05-2018



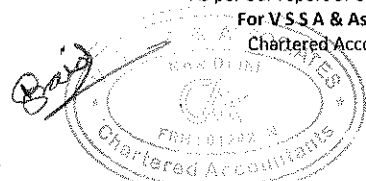
QUEO BATHROOM INNOVATIONS LIMITED
Balance sheet as at 31 March 2018

Particulars		Note No.	As at		As at	
			31 March 2018		31 March 2017	
			INR	GBP	INR	GBP
A	1 ASSETS					
	Non-current assets					
	(a) Property, plant and equipment		-	-	-	-
	(b) Capital work-in-progress		-	-	-	-
	(c) Goodwill		-	-	-	-
	(d) Other intangible assets		-	-	-	-
	(e) Financial assets		-	-	-	-
	(i) Investments		-	-	-	-
	(ii) Loans		-	-	-	-
	(f) Other non-current assets		-	-	-	-
	Total non-current assets		-	-	-	-
	2 Current assets					
	(a) Inventories		-	-	-	-
	(b) Financial assets		-	-	-	-
(i) Trade receivables		645,992	7,000	-	-	
(ii) Cash and cash equivalents	2	87,209	945	772,482	9,551	
(iii) Bank balances other than (ii) above		-	-	-	-	
(iv) Loans	3	-	-	63,005	779	
(v) Other financial assets		-	-	-	-	
(c) Other current assets		-	-	-	-	
Total current assets		733,201	7,945	835,487	10,330	
Total assets (1+2)		733,201	7,945	835,487	10,330	
B	EQUITY AND LIABILITIES					
	1 Equity					
	(a) Equity Share capital	4(a)	79,656	951	79,656	951
	(b) Other Equity	4(b)	(300,216)	(3,341)	658,776	8,179
	Total equity		(220,560)	(2,390)	738,432	9,130
	2 Non-current liabilities					
	(a) Financial Liabilities					
	(i) Borrowings		-	-	-	-
	(ii) Trade payables		-	-	-	-
	(ii) Other financial liabilities measured at amortised cost		-	-	-	-
	(b) Provisions		-	-	-	-
	(c) Deferred tax liabilities (Net)		-	-	-	-
	(d) Other non-current liabilities		-	-	-	-
	Total non-current liabilities		-	-	-	-
3 Current liabilities						
(a) Financial liabilities						
(i) Borrowings		-	-	-	-	
(ii) Trade payables		-	-	-	-	
(iii) Other financial liabilities (other than those specified in item (a)(iii)) measured at amortised cost	5	953,761	10,335	97,055	1,200	
(b) Other current liabilities		-	-	-	-	
(c) Provisions		-	-	-	-	
(d) Current tax liabilities (Net)		-	-	-	-	
Total current liabilities		953,761	10,335	97,055	1,200	
Total equity and liabilities (1+2+3)		733,201	7,945	835,487	10,330	
		0	-	0	-	

See accompanying notes to the financial statements

Dated : 14 May 2018
New Delhi

As per our report of even date
For V S S A & Associates
Chartered Accountants



Partner
Membership No. 091309

QUEO BATHROOM INNOVATIONS LIMITED
Statement of profit and loss for the year ended 31 March 2018

Particulars	Note no.	Year ended 31 March 2018		Year ended 31 March 2017	
		INR	GBP	INR	GBP
Continuing operations					
I Revenue from operations		-	-	-	-
II Other income		-	-	-	-
III Total revenue (I + II)		-	-	-	-
IV Expenses					
Cost of materials consumed		-	-	-	-
Changes in stock of finished goods, work-in-progress and stock-in-trade		-	-	-	-
Employee benefits expense		-	-	-	-
Finance costs		-	-	-	-
Depreciation and amortisation expense		-	-	-	-
Other expenses	6	868,860	11,520	449,182	5,121
Total expenses (IV)		868,860	11,520	449,182	5,121
V Profit/(loss) before exceptional items and tax (III - IV)		(868,860)	(11,520)	(449,182)	(5,121)
Exceptional items		-	-	-	-
VI Share of profit / (loss) of joint ventures and associates					
(1) Share of profit / (loss) of joint ventures and associated		-	-	-	-
VII Profit/(loss) before tax		(868,860)	(11,520)	(449,182)	(5,121)
VIII Tax expense					
(1) Current tax		-	-	-	-
(2) Deferred tax		-	-	-	-
Total tax expense (VIII)		-	-	-	-
IX Profit/(loss) after tax (VII - VIII)		(868,860)	(11,520)	(449,182)	(5,121)
X Other comprehensive income					
A (i) Items that will not be reclassified to profit or loss		-	-	-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-	-	-
B (i) Items that may be reclassified to profit or loss		-	-	-	-
(ii) Income tax on items that may be reclassified to profit or loss		-	-	-	-
Total tax expense (X)		-	-	-	-
XI Total comprehensive income for the period (IX+X)		(868,860)	(11,520)	(449,182)	(5,121)

See accompanying notes to the financial statements

As per our report of even date
For V.S.S.A & Associates
Chartered Accountants

(Signature)
Chartered Accountants

Partner
Membership No. 091309

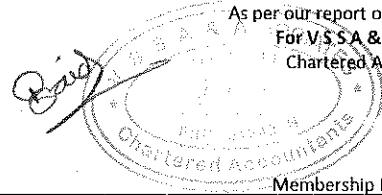
Dated : 14 May 2018
New Delhi

QUEO BATHROOM INNOVATIONS LIMITED
Cash flow statement for the year ended 31 March 2018

Particulars	Year ended	Year ended
	31 March 2018	31 March 2017
	INR	INR
Cash flows from operating activities		
Profit before tax	(868,860)	(449,182)
Adjustments for:		
Impairment losses	-	-
Net foreign exchange (gain)/loss	(90,132)	(6,069)
	(958,992)	(455,251)
Movements in working capital:		
Increase in trade and other receivables	63,005	(63,005)
Decrease in trade and other payables	856,706	97,055
	919,712	34,050
Cash generated from operations	(39,281)	(421,201)
Income taxes paid	-	-
Net cash generated by operating activities	(39,281)	(421,201)
Cash flows from investing activities:		
Purchase of investments	-	-
Net cash (used in)/generated by investing activities	-	-
	(39,281)	(421,201)
Cash flows from financing activities:		
Proceeds from borrowings	-	1,193,683
Proceeds from Issue of Share Capital	-	1,193,683
Net cash used in financing activities	(39,281)	772,482.12
Net increase in cash and cash equivalents:		
Cash and cash equivalents at the beginning of the year	772,482	-
	772,482	-
Cash and cash equivalents at the end of the year	733,201	772,482

This is the cash flow referred to in our report of even date.
See accompanying notes to the financial statements

As per our report of even date
For V.S.S.A & Associates
Chartered Accountants



Dated : 14 May 2018
New Delhi

Partner
Membership No. 091309

QUEO BATHROOM INNOVATIONS LIMITED

Note 2 - Cash and bank balances	As at 31 March 2018		As at 31 March 2017	
	INR	GBP	INR	GBP
Current Cash and bank balances (a) Balances with banks	87,209	945	772,482	9,551
Total cash and cash equivalent	87,209	945	772,482	9,551

Note 3 - Other Current assets (unsecured, considered good unless otherwise stated)	As at 31 March 2018		As at 31 March 2017	
	INR	GBP	INR	GBP
Other current assets (i) Prepayments (ii) Advance recoverable in cash or in kind	-	-	63,005	779
TOTAL	-	-	63,005	779

QUEO BATHROOM INNOVATIONS LIMITED

Note 4(a) Statement of changes in equity for the year ended 31 March 2017	As at 31 March 2018		As at 31 March 2017	
	INR	GBP	INR	GBP
a. Share capital Issued and paid up capital				
Opening balance	79,656	951	-	-
Changes in equity share capital during the year	-	-	79,656	951
Closing balance	79,656	951	79,656	951

Note 4(b) - Other equity

Reserves and surplus	As at 31 March 2018		As at 31 March 2017	
	INR	GBP	INR	GBP
Security premium				
Opening balance	1,114,027	13,300	-	-
Changes during the year	-	-	1,114,027	13,300
Closing balance	1,114,027	13,300	1,114,027	13,300
Foreign currency translation reserve				
Opening balance	(6,069)	-	-	-
Changes during the year	(90,132)	-	(6,069)	-
Closing balance	(96,201)	-	(6,069)	-
Retained earnings				
Opening balance	(449,182)	(5,121)	-	-
Changes during the year	(868,860)	(11,520)	(449,182)	(5,121)
Closing balance	(1,318,042)	(16,641)	(449,182)	(5,121)
Other comprehensive income for the year (net of income tax)	-	-	-	-
Total other equity	(300,216)	(3,341)	658,776	8,179

Note 5 Other financial liabilities	As at 31 March 2018		As at 31 March 2017	
	INR	GBP	INR	GBP
Current				
Others				
Creditors for expenses payable	953,761	10,335	97,055	1,200
Total other financial liabilities	953,761	10,335	97,055	1,200

Note 6 Other expenses	As at 31 March 2018		As at 31 March 2017	
	INR	GBP	INR	GBP
Miscellaneous expenses	868,860	11,520	449,182	5,121
	868,860	11,520	449,182	5,121



QUEO Bathrooms Innovations Limited

SCHEDULE - A

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR 2017-18

1. SIGNIFICANT ACCOUNTING POLICIES

A. Accounting Method:

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

B. Investments:

Investments are stated at cost less impairment in value, if any.

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 the 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 Organisation as appearing in the Balance Sheet are realizable in the ordinary course of business.
- ii) No personal expenses have been charged to the revenue account.

As per our report on even date

For V S S A & ASSOCIATES
CHARTERED ACCOUNTANTS

DATE: 14-05-2018
PLACE: New Delhi

