GADL (MAURITIUS) LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

GADL (MAURITIUS) LIMITED

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

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COMPANY INFORMATION

		Date of appointment	Date of resignation
DIRECTORS	: Nousrath Bhugeloo	11 June 2010	-
	Venkatesen Saminada Chetty *(Alternate to Nousrath Begum Bhugeloo)*	19 July 2010	15 December 2016
	Sachidananda Payandee Govinda *(Alternate to Nousrath Begum Bhugeloo)*	10 May 2012	15 December 2016
	Devananda Naraidoo	21 March 2013	-
	Veena Pydiah *(Alternate to Devananda Naraidoo)*	24 June 2013	15 December 2016
	Loulié Jean Marie Nicolas *(Alternate to Devananda Naraidoo)*	30 April 2014	15 December 2016
	Jhalani Apurva Suresh	12 May 2014	-
	Collappen Devindra *(Alternate to Nousrath Bhugeloo)*	23 April 2015	30 June 2015
	Batoosam Rishikesh *(Alternate to Nousrath Bhugeloo)*	15 December 2016	-
	Batoosam Rishikesh *(Alternate to Devananda Naraidoo)*	15 December 2016	-

ADMINISTRATOR AND SECRETARY : Abax Corporate Services Ltd
6th Floor, Tower A
1 CyberCity
Ebene
Mauritius

REGISTERED OFFICE : C/o Abax Corporate Services Ltd
6th Floor, Tower A
1 CyberCity
Ebene
Mauritius

AUDITORS : VBS Business Services
1st Floor, Hennessy Court
Pope Hennessy Street
Port Louis
Mauritius

BANKER : AfrAsia Bank Limited
Bowen Square
10, Dr Ferrière Street
Port Louis
Mauritius

GADL (MAURITIUS) LIMITED

COMMENTARY OF THE DIRECTORS

The directors present their commentary and the audited financial statements of GADL (Mauritius) Limited (the "Company") for the year ended 31 March 2017.

ACTIVITIES OF THE COMPANY

The principal activities of the Company are that of investment holding and providing consultancy services.

RESULTS AND DIVIDENDS

The Company's loss for the year ended 31 March 2017 is **USD 24,755** (2016: USD 33,758).

The directors do not recommend the payment of a dividend for the year under review (2016: USD Nil).

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

Company law requires the directors to prepare financial statements for each financial year which present fairly the financial position, financial performance and cash flows of the Company. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether International Financial Reporting Standards, as modified by the exemption provided by the Mauritius Companies Act, have been followed and complied with, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors have confirmed that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Mauritius Companies Act. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

The auditors, **VBS Business Services**, have indicated their willingness to continue in office and will be automatically re-appointed at the next Annual Meeting of the shareholder.

By Order of the Board

KJELL EKSTROM
FOR
ABAX CORPORATE SERVICES LTD

SECRETARY

Abax Corporate Services Ltd
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1 CyberCity, Ebene, Mauritius
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SECRETARY'S CERTIFICATE
GADL (MAURITIUS) LIMITED

UNDER SECTION 166 (d) OF THE MAURITIAN COMPANIES ACT 2001

We confirm, as secretary of the Company, that based on records and information made available to us by the Directors and Sole Shareholder of the Company, the Company has filed with the Registrar of Companies, for the year ended 31 March 2017, all such returns as are required of the Company under the Mauritian Companies Act 2001.

KJELL EKSTROM
FOR
ABAX CORPORATE SERVICES LTD

ABAX CORPORATE SERVICES LTD
COMPANY SECRETARY

INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF GADL (MAURITIUS) LIMITED

Report on the Audit of Financial Statements

Opinion

We have audited the financial statements of GADL (Mauritius) Limited (the "Company"), which comprise the statement of financial position as at 31 March 2017 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies, as set out on pages 8 to 20.

In our opinion, these financial statements have been prepared, in all material respects, in accordance with the requirements of the Mauritius Companies Act applicable to a company holding a Category 1 Global Business Licence, as described in note 2 to the financial statements.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with International Ethics Standards Board for Accountants (IESBA Code) *Code of Ethics for Professional Accountants*, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Basis of preparation

We draw attention to note 2 to the financial statements, which describes the basis of accounting. These are the Company's statutory financial statements and have been prepared in accordance with the requirements of the Mauritius Companies Act applicable to a company holding a Category 1 Global Business Licence. The applicable financial reporting framework is IFRS except for the standard applicable to Consolidated Financial Statements (IFRS 10). Our opinion is not modified in respect of this matter.

Other Information

The directors are responsible for the other information. The other information comprises the Commentary of Directors and Secretary's Certificate.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF GADL (MAURITIUS) LIMITED (CONTINUED)

Report on the audit of Financial Statements (continued)

Directors' Responsibility for the Financial Statements

The directors are responsible for the preparation and presentation of these financial statements in accordance with the requirements of the Mauritius Companies Act applicable to a company holding a Category 1 Global Business Licence, as described in note 2 to the financial statements, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF GADL (MAURITIUS) LIMITED (CONTINUED)

Report on the audit of Financial Statements (continued)

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other Matter

This report is made solely to the Company's member in accordance with Section 205 of the Mauritius Companies Act. Our audit work has been undertaken so that we might state to the Company's member those matters that we are required to state in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's member for our audit work, for this report, or for the opinions we have formed.

Report on Other Legal and Regulatory Requirements

Mauritius Companies Act

We have no relationship with or interests in the Company other than in our capacity as auditors.

We have obtained all the information and explanations we have required.

In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

VBSB

VBS Business Services
Chartered Certified Accountants

Port Louis, Mauritius

Date: 26 APR 2017

Vijay Bhuguth, FCCA
Licensed by FRC

GADL (MAURITIUS) LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2017

	Note	2017 USD	2016 USD
INCOME		-	-
EXPENSES			
Secretarial and administration fees		7,925	16,400
Accounting fees		6,700	6,700
Directors' fees		4,000	4,000
Audit fees		2,415	2,530
Licence and registration fees		2,050	2,050
Tax fees		1,500	1,500
Bank charges		165	175
Legal fees		-	403
TOTAL EXPENSES		24,755	33,758
LOSS BEFORE INCOME TAX		(24,755)	(33,758)
Income tax expense	5	-	-
LOSS FOR THE YEAR		(24,755)	(33,758)
Other comprehensive income for the year		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		(24,755)	(33,758)

The notes on pages 12 to 20 form an integral part of these financial statements.
Independent auditors' report on pages 5 to 7

GADL (MAURITIUS) LIMITED

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2017

	Note	2017 USD	2016 USD
ASSETS			
Non-current assets			
Investment in subsidiary	6	**25,000**	25,000
Current assets			
Prepayments		**2,037**	2,038
Cash and cash equivalents		**24,739**	52,668
Total current assets		**26,776**	54,706
TOTAL ASSETS		**51,776**	79,706
EQUITY AND LIABILITIES			
Equity			
Stated capital	7	**165,000**	165,000
Accumulated losses		**(125,364)**	(100,609)
Total equity		**39,636**	64,391
Liabilities			
Current liabilities			
Accruals		**12,140**	15,315
TOTAL EQUITY AND LIABILITIES		**51,776**	79,706

Authorised for issue by the Board of Directors and signed on its behalf by: 26 APR 2017

Director

R. Bartoss

Director

The notes on pages 12 to 20 form an integral part of these financial statements.
Independent auditors' report on pages 5 to 7.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2017

	Stated capital USD	Accumulated losses USD	Total USD
Balance at 01 April 2015	165,000	(66,851)	98,149
Total comprehensive income for the year	-	(33,758)	(33,758)
Balance at 31 March 2016	165,000	(100,609)	64,391
Total comprehensive income for the year	**-**	**(24,755)**	**(24,755)**
Balance at 31 March 2017	**165,000**	**(125,364)**	**39,636**

The notes on pages 12 to 20 form an integral part of these financial statements.
Independent auditors' report on pages 5 to 7.

GADL (MAURITIUS) LIMITED

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2017

	Note	2017 USD	2016 USD
Cash flows from operating activities			
Loss before income tax		**(24,755)**	(33,758)
Changes in working capital:			
Decrease in prepayments		**1**	-
(Decrease)/ increase in accruals		**(3,175)**	2,515
Net cash used in operating activities		**(27,929)**	(31,243)
Net decrease in cash and cash equivalents		**(27,929)**	(31,243)
Cash and cash equivalents at beginning of the year		**52,668**	83,911
Cash and cash equivalents at end of the year		**24,739**	52,668

The notes on pages 12 to 20 form an integral part of these financial statements.
Independent auditors' report on pages 5 to 7.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

1 GENERAL INFORMATION

GADL (Mauritius) Limited (the "Company") is a private limited company incorporated in the Republic of Mauritius on 11 June 2010. The Company holds a Category 1 Global Business Licence under the Financial Services Act 2007 and is regulated by Financial Services Commission. The Company's registered office is c/o Abax Corporate Services Ltd, 6th Floor, Tower A, 1 CyberCity, Ebene, Mauritius.

The principal activities of the Company are that of investment holding and providing consultancy services.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of presentation

The Company has subsidiaries and in accordance with International Financial Reporting Standards is required to present consolidated financial statements. In accordance with the Fourteenth Schedule of the Mauritius Companies Act, Section 12, the Company may not prepare group financial statements as it is a wholly owned subsidiary of another company and, in accordance with Section 211 of the Mauritius Companies Act, Content and form of financial statements, these financial statements present the financial position, financial performance and cash flow of the Company. Because the Company is a holder of a Category 1 Global Business Licence and is a wholly owned subsidiary of another company, these financial statements are prepared in accordance with Mauritius Companies Act which allows the use of International Financial Reporting Standards ("IFRS") and interpretations adopted by the International Accounting Standards Board (IASB), except for the standard applicable to Consolidated Financial Statements (IFRS 10).

Changes in accounting policy and disclosures

(i) New and amended standards and interpretations adopted by the Company

The Company applied for the first time certain standards and amendments, which are effective for annual periods beginning on or after 01 January 2016.

Although these new standards and amendments applied for the first time in 2016, they did not have a material impact on the financial statements of the Company. The nature and the impact of each new standard or amendment relevant to the Company are described below:

Amendments to IAS 1 Disclosure Initiative

The amendments to IAS 1 clarify, rather than significantly change, existing IAS 1 requirements. The amendments clarify:

• The materiality requirements in IAS 1 - an entity should not aggregate or disaggregate information in a manner that obscures useful information. Where items are material, sufficient information must be provided to explain the impact on the financial position or performance.

• That specific line items in the statement(s) of profit or loss and OCI and the statement of financial position may be disaggregated - where this is relevant to an understanding of the entity's financial position or performance.

• That entities have flexibility as to the order in which they present the notes to financial statements

• That the share of OCI of associates and joint ventures accounted for using the equity method must be presented in aggregate as a single line item, and classified between those items that will or will not be subsequently reclassified to profit or loss.

Furthermore, the amendments clarify the requirements that apply when additional subtotals are presented in the statement of financial position and the statement(s) of profit or loss and OCI.

These amendments affect presentation only and do not have any impact on the financial position or performance of the Company.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Changes in accounting policy and disclosures

(i) New and amended standards and interpretations adopted by the Company (continued)

Amendments to IFRS 10, IFRS 12 and IAS 28 Investment Entities: Applying the Consolidation Exception

The amendments address issues that have arisen in applying the investment entities exception under IFRS 10 Consolidated Financial Statements. The amendments to IFRS 10 clarify that the exemption from presenting consolidated financial statements applies to a parent entity that is a subsidiary of an investment entity, when the investment entity measures all of its subsidiaries at fair value.
Furthermore, the amendments to IFRS 10 clarify that only a subsidiary of an investment entity that is not an investment entity itself and that provides support services to the investment entity is consolidated. All other subsidiaries of an investment entity are measured at fair value.
The amendments to IAS 28 Investments in Associates and Joint Ventures allow the investor, when applying the equity method, to retain the fair value measurement applied by the investment entity associate or joint venture to its interests in subsidiaries.

These amendments are applied retrospectively and do not have any impact on the Company as the Company does not apply the consolidation exception.

Amendments to IAS 27: Equity Method in Separate Financial Statements

The amendments allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements. Entities already applying IFRS and electing to change to the equity method in their separate financial statements have to apply that change retrospectively.

These amendments do not have any impact on the Company's financial statements.

Other standards, amendments and interpretations which are effective for the financial period beginning on 01 January 2016 do not have any impact on the Company.

(ii) New and amended standards and interpretations in issue but on yet adopted by the Company

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

IFRS 9 – Financial Instruments (effective for accounting periods beginning on or after 01 January 2018)

IFRS 9, 'Financial instruments', addresses the classification, measurement and recognition of financial assets and financial liabilities. The complete version of IFRS 9 was issued in July 2014. It replaces the guidance in IAS 39 that relates to the classification and measurement of financial instruments. The Company plans to adopt the new standard on the required effective date. Early adoption is permitted.

Classification and measurement of financial assets
All financial assets are measured at fair value on initial recognition, adjusted for transaction costs if the instrument is not accounted for at fair value through profit or loss (FVTPL). Debt instruments are subsequently measured at FVTPL, amortised cost or fair value through other comprehensive income (FVOCI), on the basis of their contractual cash flows and the business model under which the debt instruments are held. There is a fair value option (FVO) that allows financial assets on initial recognition to be designated as FVTPL if that eliminates or significantly reduces an accounting mismatch. Equity instruments are generally measured at FVTPL. However, entities have an irrevocable option on an instrument-by-instrument basis to present changes in the fair value of non-trading instruments in other comprehensive income (OCI) (without subsequent reclassification to profit or loss).

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Changes in accounting policy and disclosures (continued)

(ii) New and amended standards and interpretations in issue but not yet adopted by the Company (Continued)

IFRS 9 – Financial Instruments (effective for accounting periods beginning on or after 01 January 2018) (continued)

Classification and measurement of financial liabilities
For financial liabilities designated as FVTPL using the FVO, the amount of change in the fair value of such financial liabilities that is attributable to changes in credit risk must be presented in OCI. The remainder of the change in fair value is presented in profit or loss, unless presentation of the fair value change in respect of the liability's credit risk in OCI would create or enlarge an accounting mismatch in profit or loss. All other IAS 39 Financial Instruments: Recognition and Measurement classification and measurement requirements for financial liabilities have been carried forward into IFRS 9, including the embedded derivative separation rules and the criteria for using the FVO.

Impairment
The impairment requirements are based on an expected credit loss (ECL) model that replaces the IAS 39 incurred loss model. The ECL model applies to: debt instruments accounted for at amortised cost or at FVOCI; most loan commitments; financial guarantee contracts; contract assets under IFRS 15; and lease receivables under IAS 17 Leases. Entities are generally required to recognise either 12-months' or lifetime ECL, depending on whether there has been a significant increase in credit risk since initial recognition (or when the commitment or guarantee was entered into). For some trade receivables, the simplified approach may be applied whereby the lifetime expected credit losses are always recognised.

IAS 7 Disclosure Initiative – Amendments to IAS 7 (effective for accounting periods beginning on or after 01 January 2017)

The amendments to IAS 7, 'Statement of Cash Flows', are part of the IASB's Disclosure Initiative and require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. On initial application of the amendment, entities are not required to provide comparative information for preceding periods. Early application is permitted. The amendments are intended to provide information to help investors better understand changes in a company's debt.

The directors anticipate that these IFRSs will be applied on their effective dates in the future periods. The directors have not yet assessed the potential impact of the adoption of these amendments.

Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in United States Dollar ("USD") which is the Company's functional currency. The USD is the currency that most faithfully reflects the underlying transactions, events and conditions that are relevant to the Company.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value was determined.

Current and deferred income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the financial position date in the country where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Current and deferred income tax (continued)

Deferred income tax is recognised in full, using the liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the financial position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets on accumulated tax losses are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Investment in subsidiary

A Subsidiary is an entity (including special purpose entities) over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Investments in subsidiary are shown at cost. Where the carrying amount of the investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the profit or loss. On disposal of the investments, the difference between the net disposal proceeds and the carrying amount is charged or credited to profit or loss.

Impairment of assets

The carrying amount of assets is assessed at each reporting date to determine whether there are any indications of impairment. If any such indication exists, the Company estimates the recoverable amount of the asset being the higher of the asset's net selling price and its value in use, in order to determine the extent of the impairment loss (if any). An impairment loss is recognised for any excess of the asset's carrying amount over its recoverable amount and is taken directly to profit or loss.

Financial instruments

Financial assets are recognised initially on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amount is presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Financial instruments carried on the statement of financial position include cash and cash equivalents and accruals. The particular recognition methods adopted are disclosed below:

Cash and cash equivalents

Cash and cash equivalents comprise of cash at bank. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Accruals

Accruals are obligations to pay for services that have been acquired in the ordinary course of business from service providers. Accruals are classified as current liabilities as payment is due within one year.

Accruals are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Derecognition of financial assets and liabilities

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability.

The Company derecognises a financial liability when its contractual obligation is discharged, cancelled or expires.

Stated capital

Ordinary shares are classified as equity.

Revenue recognition

Dividend income is recognised when the shareholder's right to receive payment is established.

Interest income is recognised using the effective interest method.

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. Where the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit or loss and other comprehensive income net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Related parties

For the purposes of these financial statements, parties are considered to be related to the Company if they have the ability, directly or indirectly, to control the Company or exercise significant influence over the Company in making financial and operating decisions, or vice versa, or where the Company is subject to common control or common significant influence. Related parties may be individuals or other entities.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The Company makes estimates and judgments that affect the reported amounts of assets and liabilities within the next period. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Functional currency

The Board of Directors considers the United States Dollar ("USD") as the currency that most faithfully represents the economic effect of the underlying transactions, events and conditions. The USD is the currency in which the Company measures its performance and reports its results, as well as the currency in which it receives subscriptions from its shareholder.

4 FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. This note presents information about the Company's exposure to each of the said risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. Further quantitative disclosures are included throughout these financial statements.

The board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company to set appropriate measures and controls and to monitor risks and adherence to limits. Risks management policies and systems are reviewed regularly to reflect changes in market conditions and in the Company's activities.

4 FINANCIAL RISK MANAGEMENT (CONTINUED)

The Company's exposure to the various types of risks associated to its activity and financial instruments is detailed below:

(a) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Currency risk

Foreign exchange risk is the risk that the fair value of future cash flows of financial instrument will fluctuate because of changes in foreign exchange rate. The Company has no exposure to foreign exchange risk as it does not have any financial assets or liabilities which are denominated in a currency other than USD.

(ii) Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The Company has no exposure to interest-rate risk as it has no interest-bearing financial assets and liabilities.

(iii) Price risk

Equity price risk is the risk of unfavourable changes in fair values of equities as the result of changes in the value of individual shares. The Company has no exposure to price risk at year end.

(b) Credit risk

The Company takes on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. With respect to credit risk arising from financial assets which comprise of cash and cash equivalents, the Company's exposure arises from the default of the counterparty, with a maximum exposure equal to the carrying amount of these financial assets at the reporting date. The Company manages credit risk by banking with reputable financial institutions.

(c) Liquidity risk

Liquidity risk is the risk that the Company is unable to meet its payment obligations associated with its financial liabilities when they fall due. Prudent liquidity risk management implies maintaining sufficient liquid funds to meet its financial obligations.

The Company manages liquidity risk by maintaining adequate cash reserves to meet its obligations as they fall due and through financing from related parties.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

	Due within one year USD	**Total USD**
31 March 2017		
Accruals	**12,140**	**12,140**
31 March 2016		
Accruals	15,315	15,315

(d) Fair values

The carrying amounts of cash and cash equivalents and accruals approximate their fair values.

4 FINANCIAL RISK MANAGEMENT (CONTINUED)

(e) Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholder and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust dividend payments to shareholder, return on capital to shareholder or issue new shares.

(f) Financial instruments by category

	Loans and receivables USD	Total USD
31 March 2017		
Financial assets		
Cash and cash equivalents	**24,739**	**24,739**
Total	**24,739**	**24,739**
31 March 2016		
Cash and cash equivalents	52,668	52,668
Total	52,558	52,558

	Other financial liabilities at amortised cost	
	2017 USD	2016 USD
Financial liabilities		
Accruals	**12,140**	15,315
Total	**12,140**	15,315

5 INCOME TAX EXPENSE

The Company is subject to income tax in Mauritius on its chargeable income at **15%** (2016: 15%). However, the Company is entitled to a tax credit equivalent to the higher of the actual foreign tax suffered and **80%** (2015: 80%) of the Mauritius tax on its foreign source income, thereby giving an effective tax rate of **3%** (2016: 3%). Gains or profits from the sale of units or securities by a company holding a Category 1 Global Business License under the Financial Services Act 2007 are exempt in Mauritius.

The foregoing is based on current interpretation and practice and is subject to any future changes in the Mauritian tax laws. At 31 March 2017, the Company had accumulated tax losses of **USD 114,287** (2016: USD 89,532) and is therefore was not liable to income tax.

The accumulated tax losses are available for set off against future taxable profit of the Company as follows:

Up to the year ending:

	2017 USD	2016 USD
31 March 2018	**26,764**	26,764
31 March 2020	**29,010**	29,010
31 March 2021	**33,758**	33,758
31 March 2022	**24,755**	-
	114,287	89,532

5 INCOME TAX EXPENSE (CONTINUED)

A reconciliation of the accounting loss before income tax and the actual tax charge is presented below:

	2017 USD	2016 USD
Loss before income tax	**(24,755)**	(33,758)
Applicable income tax 15%	**(3,713)**	(5,064)
Impact of:		
Foreign tax credit	**2,970**	4,051
Unrecognised deferred tax asset	**743**	1,013
Actual tax charge	**-**	-

Deferred tax

A deferred income tax asset of **USD 3,429** (2016: USD 2,686) has not been recognised in respect of tax losses carried forward as the directors consider that it is not probable that future taxable profits will be available against which the unused tax losses can be utilised.

6 INVESTMENT IN SUBSIDIARY

	2017 USD	2016 USD
Investments in subsidiary consist of unquoted shares		
At start and end of the year	**25,000**	25,000

Details of the investments in subsidiary are given below:

Name of Company	**Country of incorporation**	**Number and type of ordinary shares held**		**% Holding**		**Cost of investment**		**Business activity**
		2017 USD	2016 USD	**2017 USD**	2016 USD	**2017 USD**	2016 USD	
GADL International Limited	Isle of Man	**25,000**	25,000	**100**	100	**25,000**	25,000	Act as a contractor in the development of Malé International Airport in the Republic of Maldives

"GMR Infrastructure Limited ("GIL") along with its sole consortium partner Malaysia Airports Holdings Berhad was awarded the concession for the construction of airport in Maldives ("GMR Group contract"). Accordingly, GMR Malé International Airport Private Limited (GMIAL), had signed a Works Construction Contract on 25th October 2010 with GADL International Limited, the subsidiary of the Company, to design, execute and develop all works related to existing and new terminal of the Malé International Airport. The Government of Maldives has declared the Concession Agreement as Void ab initio unilaterally. Subsequently, the Works Construction Contract was also terminated. Pursuant to the directors' meeting dated 19 January 2015, GMIAL has won the first stage of arbitration against the Government of Maldives. It was noted that the arbitration tribunal awarded the final amount of the compensation. However, GADL International Limited loss or profit has not been included in award. The matter will now be taken at the level of the board of GMR Male International Airport Limited."

7 STATED CAPITAL

	2017	2016	2017	2016
	Number of shares		USD	USD
Issued and fully paid up				
At start and end of year	**165,000**	165,000	**165,000**	165,000

The holding of an ordinary share in the Company shall confer on the holder:

(a) the right to one vote on a poll at a meeting of the Company on any resolution;
(b) the right to an equal share in dividends authorised by the Board of Directors; and
(c) the right to an equal share in the distribution of the surplus assets of the Company.

8 RELATED PARTY TRANSACTIONS

During the year under review, the Company entered into the following transactions with related parties. The nature and volume of the transactions are as follows:

	2017 USD	2016 USD
(i) Fees to management entity of the Company – Abax Corporate Services Ltd		
Fees paid during the year	**23,300**	26,200
Fees accrued at end of the year	**9,725**	12,900

The compensation to key management personnel is provided on commercial terms and conditions.

9 PARENT AND ULTIMATE PARENT

The directors consider GMR Airport Developers Limited, a company incorporated in India and GMR Infrastructure Limited, a public limited company listed on the Stock Exchange in India, as the Company's parent and ultimate parent respectively.

10 EVENTS AFTER THE REPORTING DATE

There have been no material events after the reporting date which would require disclosure or adjustments to the financial statements for the year ended 31 March 2017.