ADITYA BIRLA SUN LIFE ASSET MANAGEMENT COMPANY LIMITED DIFC, DUBAI

Financial statements

Year ended March 31, 2015

ADITYA BIRLA SUN LIFE ASSET MANAGEMENT COMPANY LIMITED, DIFC, DUBAI

Financial statements for the year ended March 31, 2015

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Independent Auditors' report

To the shareholder of Aditya Birla Sun Life Asset Management Company Limited, Dubai

Report on the financial statements

We have audited the accompanying financial statements of Aditya Birla Sun Life Asset Management Company Limited, DIFC, Dubai ("the Company") which comprise the statement of financial position as at March 31, 2015, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements, based on our audit. We conducted our audit in accordance with International Standards on Auditing. 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 the auditors' 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 auditors consider internal controls relevant to the entity's preparation and fair presentation of the financial statements 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 internal controls. 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 aforementioned financial statements present true and fair view, in all material respects, the financial position of Aditya Birla Sun Life Asset Management Company Limited, DIFC, Dubai as at March 31, 2015, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Independent Auditors' report *(Continued)*

Emphasis of Matter

We draw attention to Note 2 to the financial statements which describes the uncertainity related to continuance of the Company. The continuance of the Company's operations is dependant on the introduction of sufficent funds by the shareholder and its future profitability. Our opinion is not qualified in respect of this matter.

Report on other legal and regulatory requirements

We have obtained all the information and explanations, which were necessary for the purposes of our audit and no violation of Companies Law, DIFC Law No. 2 of 2009 (as amended) issued by the Dubai International Financial Centre (DIFC) came to our attention which would materially affect the Company's financial position.

The Company has kept proper accounting records and regulatory returns, in compliance with Chapter 8.3 of the DFSA Rulebook General Module and the applicable Rules in PIB.

BDO CHARTERED ACCOUNTANTS & ADVISORS
Mohamed Afzal Koya Ali
April 15, 2015
Dubai

ADITYA BIRLA SUN LIFE ASSET MANAGEMENT COMPANY LIMITED, DIFC, DUBAI

Statement of financial position at March 31, 2015

	Note	USD	2014 USD
Non current assets			
Property, plant and equipment	6	**17,092**	35,487
Current assets			
Other receivables	7	**76,997**	45,744
Due from related parties	8	**153,610**	146,942
Bank balances		**867,964**	908,863
Total current assets		**1,098,571**	1,101,549
Current liabilities			
Accruals and other payables	9	**50,358**	41,533
Due to related parties	8	**108,083**	83,539
Total current liabilities		**158,441**	125,072
Net current assets		**940,130**	976,477
Non current liabilities			
Provision for employees' end of service gratuities		**23,257**	19,097
Net assets		**933,965**	992,867
Equity			
Share capital	10	**3,125,000**	3,125,000
Accumulated deficit		**(2,191,035)**	(2,132,133)
Total equity		**933,965**	992,867

The financial statements have been approved by the Board of Directors on April 15, 2015. These financial statements are signed on it's behalf by:

....
A. Dhananjaya
Director

....
Ram Goyal
Senior Executive Officer

The notes on pages 7 to 19 form part of these financial statements

ADITYA BIRLA SUN LIFE ASSET MANAGEMENT COMPANY LIMITED, DIFC, DUBAI

Statement of comprehensive income for the year ended March 31, 2015

	Note	USD	2014 USD
Revenue		**623,600**	523,740
Other income	11	**30,947**	14,569
		654,547	538,309
Administration, selling and general expenses	12	**(713,449)**	(663,844)
Net loss and total comprehensive income for the year		**(58,902)**	**(125,535)**

The notes on pages 7 to 19 form part of these financial statements

ADITYA BIRLA SUN LIFE ASSET MANAGEMENT COMPANY LIMITED, DIFC, DUBAI

Statement of changes in equity for the year ended March 31, 2015

	Share capital	Accumulated deficit	Total equity
	USD	USD	USD
Balance at April 01, 2013	3,125,000	(2,006,598)	1,118,402
Total comprehensive income for the year	-	(125,535)	(125,535)
Balance at March 31, 2014	**3,125,000**	**(2,132,133)**	**992,867**
Total comprehensive income for the year	-	(58,902)	(58,902)
Balance at March 31, 2015	**3,125,000**	**(2,191,035)**	**933,965**

The notes on pages 7 to 19 form part of these financial statements

ADITYA BIRLA SUN LIFE ASSET MANAGEMENT COMPANY LIMITED, DIFC, DUBAI

Statement of cash flows for the year ended March 31, 2015

	Note	USD	2014 USD
Cash flows from operating activities			
Net loss for the year		**(58,902)**	(125,535)
Adjustments for:			
Depreciation	6	**20,062**	23,696
Provision for employees' end of service gratuities		**4,160**	(11,669)
Operating loss before working capital changes		**(34,680)**	(113,508)
(Increase)/decrease in other receivables	7	**(31,253)**	3,511
(Increase)/decrease in due from related parties	8	**(6,668)**	8,398
Increase/(decrease) in accruals and other payables	9	**8,825**	(60,337)
Increase/(decrease) in due to related parties	8	**24,544**	(94,123)
Cash used in operations		**(39,232)**	(256,059)
Net cash used in operating activities		**(39,232)**	(256,059)
Cash flows from investing activities			
Purchase of property, plant and equipment	6	**(1,667)**	(1,365)
Net cash used in investing activities		**(1,667)**	(1,365)
Net decrease in cash and cash equivalents		**(40,899)**	(257,424)
Cash and cash equivalents at beginning of the year		**908,863**	1,166,287
Cash and cash equivalents at end of the year		**867,964**	908,863

The notes on pages 7 to 19 form part of these financial statements

1 Status and activity

Aditya Birla Sun Life Asset Management Company Limited, DIFC, Dubai ("the Company") is registered with limited liability under the Companies Law, DIFC Law No. 2 of 2009 (as amended) issued by the Dubai International Financial Centre (DIFC). The principal place of business of the Company is located at Al Fattan Currency House, Tower 1, DIFC, Dubai - U.A.E.

The principal activities of the Company include arranging credit & deals in investment, advising on financial procedures.

The Company is the subsidiary of Birla Sun Life Asset Management Company Limited ("the Ultimate Parent Company"), a company registered in India.

The financial statements for the year ended March 31, 2015 were authorised for issue by the Board of Directors on April 15, 2015.

These financial statements are presented in US Dollars (USD).

2 Going concern considerations

These financial statements are prepared on a going concern basis, which assumes that the Company will continue to operate as a going concern for the foreseeable future. During the year, the Company had incurred a net loss of USD 58,902 (2014: USD 125,535). The continuance of the Company's operations is dependent on the introduction of sufficient funds by the shareholders and its future profitability. The shareholder of the Company has resolved that they will continue to support financially the future operations of the Company.

3 Application of new and revised International Financial Reporting Standards (IFRSs)

New standards, interpretations and amendments effective from January 1, 2014

The following new and revised IFRSs have been adopted in these financial statements. The application of these new and revised IFRSs has not had any material impact on the amounts reported for the current and prior years but may affect the accounting for future transactions or arrangements.

- ***IAS 32 Offsetting Financial Assets and Financial Liabilities (Effective for annual periods beginning on or after January 1, 2014)***

The amendment to IAS 32 Financial Instruments: Presentation clarifies certain aspects because of diversity in application of the requirements on offsetting, focusing on the following aspects:
-the meaning of 'currently has a legally enforceable right of set-off';
-the application of simultaneous realisation and settlement;
-the offsetting of collateral amounts;
-the unit of account for applying the offsetting requirements.

The amendment has no impact on the Company's financial position or performance on adoption.

- ***IAS 36 Recoverable Amount Disclosures for Non-Financial Assets (Effective for annual periods beginning on or after January 1, 2014)***

The amendment to IAS 36 Impairment reduces the circumstances in which the recoverable amount of assets or cash-generating units is required to be disclosed, clarify the disclosures required, and to introduce an explicit requirement to disclose the discount rate used in determining impairment (or reversals) where recoverable amount (based on fair value less costs of disposal) is determined using a present value technique. The amendment has no impact on the Company's financial position or performance on adoption.

3 **Adoption of new and revised standards *(Continued)***

New standards, interpretations and amendments not yet effective

The Company has not applied the following new and revised IFRSs that have been issued but are not yet effective for annual periods beginning on or after January 1, 2014:

- ***IFRS 9 'Financial instruments (2009)'***

The standard addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 was issued in November 2009 and October 2010. It replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured as at fair value and those measured at amortised cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch.

IFRS 9 (2014) was issued on July 24, 2014 and supersedes IFRS 9 (2009), but this version of the standard remains available for application if the relevant date of initial application is before February 1, 2015.

The Company is yet to determine whether it shall adopt IFRS 9 (2009) or adopt IFRS 9 (2014) at a later date. Accordingly, the Company is yet to assess the full impact on adoption of IFRS 9.

- ***IFRS 9 'Financial instruments (2010)'***

A revised version of IFRS 9 incorporating revised requirements for the classification and measurement of financial liabilities, and carrying over the existing derecognition requirements from IAS 39 Financial Instruments: Recognition and Measurement.

The revised financial liability provisions maintain the existing amortised cost measurement basis for most liabilities. New requirements apply where an entity chooses to measure a liability at fair value through profit or loss - in these cases, the portion of the change in fair value related to changes in the entity's own credit risk is presented in other comprehensive income rather than within profit or loss.

IFRS 9 (2014) was issued on July 24, 2014 and supersedes IFRS 9 (2010), but this version of the standard remains available for application if the relevant date of initial application is before February 1, 2015.

The Company is yet to determine whether it shall adopt IFRS 9 (2010) or adopt IFRS 9 (2014) at a later date. Accordingly, the Company is yet to assess the full impact on adoption of IFRS 9.

3 Adoption of new and revised standards *(Continued)*

- ***IFRS 9 'Financial instruments (2013)' (Hedge Accounting and amendments to IFRS 9, IFRS 7 and IAS 39)***

  A revised version of IFRS 9 incorporating revised requirements a new chapter to IFRS 9 on hedge accounting, putting in place a new hedge accounting model that is designed to be more closely aligned with how entities undertake risk management activities when hedging financial and non-financial risk exposures. It also permits an entity to apply only the requirements introduced in IFRS 9 (2010) for the presentation of gains and losses on financial liabilities designated as at fair value through profit or loss without applying the other requirements of IFRS 9, meaning the portion of the change in fair value related to changes in the entity's own credit risk can be presented in other comprehensive income rather than within profit or loss.

  The revised version also removes the mandatory effective date of IFRS 9 (2013), IFRS 9 (2010) and IFRS 9 (2009), leaving the effective date open pending the finalisation of the impairment and classification and measurement requirements. Notwithstanding the removal of an effective date, each standard remains available for application.

  IFRS 9 (2014) was issued on July 24, 2014 and supersedes IFRS 9 (2013), but this version of the standard remains available for application if the relevant date of initial application is before February 1, 2015.

  The Company is yet to determine whether it shall adopt IFRS 9 (2013) or adopt IFRS 9 (2014) at a later date. Accordingly, the Company is yet to assess the full impact on adoption of IFRS 9.

- ***IFRS 9 'Financial instruments (2014)'***

  This is a finalised version of IFRS 9 which contains accounting requirements for financial instruments, replacing IAS 39 Financial Instruments: Recognition and Measurement. The standard contains requirements in the following areas:

  Classification and measurement: Financial assets are classified by reference to the business model within which they are held and their contractual cash flow characteristics. The 2014 version of IFRS 9 introduces a 'fair value through other comprehensive income' category for certain debt instruments. Financial liabilities are classified in a similar manner to under IAS 39, however there are differences in the requirements applying to the measurement of an entity's own credit risk.

  Impairment: The 2014 version of IFRS 9 introduces an 'expected credit loss' model for the measurement of the impairment of financial assets, so it is no longer necessary for a credit event to have occurred before a credit loss is recognized.

  Hedge accounting: Introduces a new hedge accounting model that is designed to be more closely aligned with how entities undertake risk management activities when hedging financial and non-financial risk exposures.

  Derecognition: The requirements for the derecognition of financial assets and liabilities are carried forward from IAS 39.

  IFRS 9 (2014) was issued on July 24, 2014 and supersedes IFRS 9 (2009), IFRS 9 (2010) and IFRS 9 (2013), but this version of the standard remains available for application if the relevant date of initial application is before February 1, 2015.

  The Company is yet to determine whether it shall adopt IFRS 9 (2013) or adopt IFRS 9 (2014) at a later date. Accordingly, the Company is yet to assess the full impact on adoption of IFRS 9.

3 Adoption of new and revised standards *(Continued)*

- ***IFRS 15 'Revenue from Contracts with Customers' (Effective for annual periods beginning on or after January 1, 2017):***

IFRS 15 provides a single, principles based five-step model to be applied to all contracts with customers.

The five steps in the model are as follows:
-Identify the contract with the customer;
-Identify the performance obligations in the contract;
-Determine the transaction price;
-Allocate the transaction price to the performance obligations in the contracts;
-Recognise revenue when (or as) the entity satisfies a performance obligation.

Guidance is provided on topics such as the point in which revenue is recognised, accounting for variable consideration, costs of fulfilling and obtaining a contract and various related matters. New disclosures about revenue are also introduced.

The Company is yet to assess IFRS 15's full impact and intends to adopt IFRS 15 no earlier than the accounting period beginning on or after January 1, 2017.

- ***IAS 16 and IAS 38 'Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to IAS 16 and IAS 38)' (Effective for annual periods beginning on or after January 1, 2016):***

This amends IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets to:

-clarify that a depreciation method that is based on revenue that is generated by an activity that includes the use of an asset is not appropriate for property, plant and equipment;

-introduce a rebuttable presumption that an amortisation method that is based on the revenue generated by an activity that includes the use of an intangible asset is inappropriate, which can only be overcome in limited circumstances where the intangible asset is expressed as a measure of revenue, or when it can be demonstrated that revenue and the consumption of the economic benefits of the intangible asset are highly correlated;

-add guidance that expected future reductions in the selling price of an item that was produced using an asset could indicate the expectation of technological or commercial obsolescence of the asset, which, in turn, might reflect a reduction of the future economic benefits embodied in the asset.

These amendments will not impact the Company's financial position or performance and becomes effective for annual periods beginning on or after January 1, 2016.

- ***IAS 19 'Defined Benefit Plans: Employee Contributions (Amendments to IAS 19)' (Effective for annual periods beginning on or after July 1, 2014):***

This amends IAS 19 Employee Benefits to clarify the requirements that relate to how contributions from employees or third parties that are linked to service should be attributed to periods of service. In addition, it permits a practical expedient if the amount of the contributions is independent of the number of years of service, in that contributions, can, but are not required, to be recognised as a reduction in the service cost in the period in which the related service is rendered.

These amendments will not impact the Company's financial position or performance and becomes effective for annual periods beginning on or after July 1, 2014.

3 Adoption of new and revised standards *(Continued)*

Annual Improvements to IFRSs 2010-2012 Cycle (Effective for annual periods beginning on or after July 1, 2014):

IFRS 13 Fair Value Measurements

This improvement clarifies that issuing IFRS 13 and amending IFRS 9 and IAS 39 did not remove the ability to measure certain short-term receivables and payables on an undiscounted basis (amends basis for conclusions only). The amendment has not impacted on the Company's financial position or performance on adoption.

IAS 16 'Property, Plant and Equipment' and IAS 38 'Intangible Assets'

The improvement clarifies that the gross amount of property, plant and equipment is adjusted in a manner consistent with a revaluation of the carrying amount. The amendment has not impacted on the Company's financial position or performance on adoption.

IAS 24 Related Party Disclosures

The improvement clarifies how payments to entities providing management services are to be disclosed. The amendment has no impact on the Company's financial position or performance on adoption.

Annual Improvements to IFRSs 2011-2013 Cycle (Effective for annual periods beginning on or after July 1, 2014):

IFRS 13 Fair Value Measurements

This improvement clarifies the scope of the portfolio exception in paragraph 52. The amendment has not impacted on the Company's financial position or performance on adoption.

Annual Improvements to IFRSs 2012-2014 Cycle (Effective for annual periods beginning on or after July 1, 2016):

IFRS 7 Financial Instruments: Disclosures

This improvement provides additional guidance to clarify whether a servicing contract is continuing involvement in a transferred asset, and clarification on offsetting disclosures in condensed interim financial statements. The annual improvement has not impacted the Company's financial position or performance on adoption.

IAS 19 Employee Benefits

This improvement clarifies that the high quality corporate bonds used in estimating the discount rate for post-employment benefits should be denominated in the same currency as the benefits to be paid. The amendment has no impact on the Company's financial position or performance on adoption.

4 Significant accounting policies

These financial statements are prepared under the historical cost convention and in accordance with International Financial Reporting Standards. These financial statements also comply with the requirement of the provisions of the Companies Law, DIFC law No. 2 of 2009 (as amended) and the Dubai Financial Services Authority Prudential Rulebooks. The significant accounting policies adopted are as follows:

Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses.

4 Significant accounting policies *(Continued)*

Depreciation

Depreciation is provided consistently on a straight line basis so as to write off the cost of property, plant and equipment over their estimated useful lives as follows:

Office equipment	5 years
Computers & softwares	3 years
Furniture & fixtures	5 years

Impairments

The carrying amounts of the Company's assets are reviewed annually at each date of statement of financial position to determine whether the assets have been impaired during the year. Where an asset has been impaired, the recoverable amount of the asset is determined. Where the carrying amount exceeds the recoverable amount, the asset is written down to its recoverable amount. The resultant impairment loss is recognised as an expense in the statement of comprehensive income.

Financial assets

All financial assets are recognised and derecognised on trade date and are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value.

Financial assets are classified into the following specified categories: financial assets at fair value through profit or loss, held to maturity investments, loans and receivables and available for sale financial assets. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

- Financial assets are classified as fair value through profit or loss when the financial asset is either a held for trading investment or it is designated as fair value through profit or loss. A financial asset is classified as held for trading if, it has been acquired principally for the purpose of selling it in the near term; or on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or it is a derivative that is not designated and effective as a hedging instrument.
- Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity that an entity has the positive intention and ability to hold to maturity.
- Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.
- Available-for-sale financial assets are those non-derivative financial assets that are designated as available for sale or are not classified as loans and receivables, held-to-maturity investments or financial assets at fair value through profit or loss.

The Company's financial assets consist of loans and receivables. Loans and receivables comprise of due from related parties and other receivables that have fixed or determinable payments and are not quoted in an active market. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Employees' end of service gratuities

Provision is made for employees' end of service gratuities on the basis prescribed in the Employment Law, DIFC Law No. 3 of 2005 (as amended) for the accumulated period of service at the date of statement of financial position.

4 Significant accounting policies *(Continued)*

Financial liabilities

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities. The Company's financial liabilities consist of other payables and due to related parties. The other payables and due to related parties are stated at cost. The subsequent measurement is at amortized cost using the effective interest method, with expense recognised on an effective yield basis.

Revenue recognition

Revenue from referral fees is recognised when the referral client has transferred the agreed investment amount to the designated fund of the group company. It is calculated as an agreed percentage of the management fees earned by the group company on the referred fund.

Revenue from marketing fees is determined on daily basis which is calculated as an agreed percentage of the net asset value of the India Advantage Fund.

Leasing

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of comprehensive income on a straight-line basis over the period of the lease.

Foreign currencies

Transactions in foreign currencies during the year are converted into USD at rates of exchange ruling at the transaction dates. Monetary assets and liabilities in foreign currencies are translated to USD at the rates of exchange ruling at the date of statement of financial position. All gains and losses on exchange are taken to the statement of comprehensive income.

Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents include bank balances.

5 Critical accounting judgemental and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 4, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the date of statement of financial position, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Property, plant and equipment

Property, plant and equipment is depreciated over its estimated useful life, which is based on estimates for expected usage of the asset and expected physical wear and tear which are dependent on operational factors. Management has not considered any residual value as it is deemed immaterial.

6 Property, plant and equipment

Movements in property, plant and equipment are given on page 19.

7 Other receivables

		2014
	USD	USD
Prepayments	**52,219**	23,971
Staff advances	**3,005**	-
Deposits	**21,773**	21,773
	76,997	45,744

8 Related party disclosures

Related parties include the ulitmate parent company, the shareholders, key management personnel, associates and any businesses which are controlled directly or indirectly by the Company or over which they exercise significant management influence. The balances due to/from such parties, which have been disclosed separately in the financial statements, are unsecured, interest-free and are repayable on demand.

The significant related party transactions during the year are as follows:

		2014
	USD	USD
Management remuneration		
- Short term benefits	**270,847**	224,826
- Long term benefits	**3,833**	3,833
Other related parties		
- Referral fee income	**297,628**	283,260
- Marketing fee income	**325,972**	240,480

Related party balances are as under :

		2014
	USD	USD
Payables:		
- Key management personnel	**108,083**	83,539
Receivables:		
- Other related parties	**153,610**	146,942

The Company has not made any provision for bad or doubtful debts in respect of related party receivables.

9 Accruals and other payables

		2014
	USD	USD
Accruals	**50,223**	38,099
Other payables	**135**	3,434
	50,358	41,533

The Company has financial risk management policies in place to ensure that payables are paid within the credit time frame.

10 Share capital

		2014
	USD	USD
Authorised capital:		
5,000,000 shares of USD 1 each	**5,000,000**	5,000,000
Issued and paid up capital:		
3,125,000 shares of USD 1 each	**3,125,000**	3,125,000

11 Other income

		2014
	USD	USD
Reimbursement of expenses	**16,604**	-
Reversal of excess provision	**14,343**	14,569
	30,947	14,569

12 Administration, selling and general expenses

		2014
	USD	USD
Salaries and other benefits	**415,653**	359,063
Director's remuneration	**27,237**	30,987
Rent and license fees	**88,025**	88,275
Communication	**27,161**	28,211
Travelling, conveyance and vehicle expenses	**11,817**	14,773
Entertainment and business promotion	**37,312**	42,275
Legal and professional fees	**50,237**	53,827
Depreciation	**20,062**	23,696
Other	**35,945**	22,737
	713,449	663,844

13 Financial instruments - risk management

Capital risk management

The Company is having going concern issue. The continuance of the Company's operations is dependent on the introduction of sufficient funds by the shareholders and its future profitability.

The capital is managed by the Company in a way that it is able to continue as a going concern while maximising returns to shareholders.

The capital structure of the Company consists of cash and cash equivalents and equity attributable to equity holders, comprising of issued capital and accumalated deficit.

Regulatory Capital

In implementing current capital requirements, the Company assesses its capital resources in accordance with the guidelines issued by the Dubai Financial Services Authority prescribing the minimum capital adequacy requirements.

Summary data of regulatory capital managed as at the year end was as follows:

Capital Resources		**2014**
	USD	**USD**
Share capital	**3,125,000**	3,125,000
Accumulated deficit	**(2,191,035)**	(2,132,133)
Total Capital resources	**933,965**	992,867

Capital Requirements		**2014**
Capital requirement is the higher of:	**USD**	**USD**
Based Capital requirement	**10,000**	10,000
Expenditure based capital requirement-as notified by the regulator	**105,000**	105,000
Total Capital requirement	**105,000**	105,000
Resources less capital requirement	**828,965**	887,867

The Company has complied with all externally mandated capital requirements during the year.

As a risk management policy, the Company reviews its cost of capital and risks associated with capital. The Company balances its capital structure based on the above review.

Market risk management

The Company is primarily exposed to the financial risks of changes in foreign currency exchange rates (currency risk).

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

13 Financial instruments - risk management *(Continued)*

Foreign currency risk management

The Company undertakes certain transactions denominated in foreign currencies. Hence, exposures to exchange rate fluctuation arise. The Company is mainly exposed to UAE Dirham (AED) and Singapore Dollars (SGD). But, as US Dollar is pegged to the UAE Dirham (AED) , the Company is not exposed to any significant exchange rate fluctuations to the UAE Dirham (AED). The following table details the Company's sensitivity to a 10 percent increase or decrease in the US Dollar against the Singapore Dollars (SGD).

		2014
	USD	**USD**
Profit or loss	**6,626**	-

Credit risk management

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Company is potentially exposed to concentration of credit risk from its financial assets which comprise principally bank balances, other receivables and amounts due from related parties. The Company's bank accounts are placed with high credit quality financial institutions. The credit risk on trade receivables and related parties are subjected to credit evaluations.

As at date of statement of financial position, the Company's exposure to credit risk from amount due from related parties situated outside the UAE is as follows:

		2014
	USD	**USD**
Mauritius	**87,346**	57,484
Singapore	**66,264**	89,458

Currency risk

The Company had following liabilities and assets denominated in foreign currencies at the date of statement of financial position:

	Foreign currency Amount	USD equivalent
Foreign currency liabilities		
Singapore Dollars (SGD)	**90,717**	66,260

13 Financial instruments - risk management *(Continued)*

Financial instruments by category

The carrying amounts for each class of financial instrument are listed below:

	Fair value hierarchy level		2014
		USD	USD
Financial assets			
Loans and receivables			
- Other receivables	Level 3	**24,779**	21,773
- Due from related parties	Level 3	**153,610**	146,942
- Bank balances		**867,964**	908,863
Financial liabilities			
- Accruals and other payables	Level 3	**50,358**	41,533
- Due to related parties	Level 3	**108,083**	83,539

The carrying amount of short term other receivables, due from related parties, accruals and other payables and due to related parties approximates its fair value.

14. Operating leases

The future minimum lease payments under non-cancelable operating leases are payable as below:

		2014
	USD	USD
Not later than one year	**31,745**	31,745

During the year an amount of USD 58,607 (2014: USD 58,607) was recognised as an expense in the statement of comprehensive income in respect of the operating lease.

15 Comparative figures

Previous year's figures which were not material have been regrouped or reclassified wherever necessary to make them comparable to those of the current year.

Schedule of property, plant and equipment

	Office equipment	Computers & softwares	Furniture and fixtures	Total
	USD	USD	USD	USD
Cost				
At April 1, 2013	16,221	17,390	76,645	110,256
Additions	-	1,365	-	1,365
At March 31, 2014	16,221	18,755	76,645	111,621
Additions	-	1,667	-	1,667
At March 31, 2015	**16,221**	**20,422**	**76,645**	**113,288**
Depreciation				
At April 1, 2013	7,556	11,669	33,213	52,438
Charge for the year	3,113	5,254	15,329	23,696
At March 31, 2014	10,669	16,923	48,542	76,134
Charge for the year	3,026	1,707	15,329	20,062
At March 31, 2015	**13,695**	**18,630**	**63,871**	**96,196**
Net Book Value				
At March 31, 2015	**2,526**	**1,792**	**12,774**	**17,092**
At March 31, 2014	5,552	1,832	28,103	35,487