USHA MARTIN AUSTRALIA PTY LTD
ABN 87 111 639 626

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USHA MARTIN AUSTRALIA PTY LTD
ABN 87 111 639 626

DIRECTORS' REPORT

Your directors present their report on the company for the financial year ended 31 March 2017.

The names of the directors of the company, which held office during or since the end of the financial year, are:

Mr Tapas Gangopadhyay
Mr Pravin Kumar Jain
Mr Bhupesh Kumar Madan

The profit of the company for the financial year after providing for income tax amounted to $140,031.

No changes occurred in the state of affairs of the company.

The principal activities of the company during the financial year involved the importation and sale of steel wire ropes and products.

No significant change in the nature of these activities occurred during the year.

No matters or circumstances have arisen since the end of the financial year, which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in subsequent financial years.

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

There were no dividends paid or declared since the start of the financial year. No options over issued shares or interests in the company were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the company.

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings. The company was not a party to any such proceedings during the year.

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 29.

Signed in accordance with a resolution of the Board of Directors on 18 April 2017.

Mr B K Madan
Director

Mr T Gangopadhyay
Director

USHA MARTIN AUSTRALIA PTY LTD
ABN 87 111 639 626

INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2017

	Note	2017 $	2016 $
Revenues from ordinary activities	2	6,414,249	10,812,650
Foreign exchange variation		(17,132)	53,810
Changes in inventories of finished goods		(1,263,068)	(399,022)
Materials, freight and consumables used		(3,745,317)	(8,945,489)
Borrowing costs		(1,571)	(10,464)
Depreciation and amortisation		(14,067)	(14,420)
Provision for doubtful debts		(16,040)	5,423
Provision for inventory diminution		5,486	(16,594)
Employee benefits		(333,056)	(338,558)
Directors' benefits		(225,774)	(230,928)
Other expenses from ordinary activities		(603,665)	(553,561)
Profit from ordinary activities before income tax expense		200,045	362,847
Income tax (expense)	3	(60,014)	(108,852)
Net profit attributable to the member of the company		140,031	253,995

The accompanying notes form part of these financial statements.

USHA MARTIN AUSTRALIA PTY LTD
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BALANCE SHEET
AS AT 31 MARCH 2017

	Note	2017 $	2016 $
CURRENT ASSETS			
Cash and cash equivalents	4	1,075,562	141,034
Trade and other receivables	5	1,174,131	2,170,493
Inventories	6	1,850,067	2,871,421
Tax assets	7	-	136
Other	8	45,166	45,166
TOTAL CURRENT ASSETS		4,144,926	5,228,250
NON-CURRENT ASSETS			
Property, plant and equipment	9	27,198	39,719
Tax assets	7	54,708	42,396
Investment in associated company	10	5,781	5,781
TOTAL NON-CURRENT ASSETS		86,687	87,896
TOTAL ASSETS		4,232,613	5,316,146
CURRENT LIABILITIES			
Trade and other payables	11	1,195,772	2,199,244
Provisions	12	39,888	18,369
TOTAL CURRENT LIABILITIES		1,235,660	2,217,613
NON-CURRENT LIABILITIES			
Trade and other payables	11	-	262,500
Provisions	12	33,555	12,667
TOTAL NON-CURRENT LIABILITIES		33,555	275,167
TOTAL LIABILITIES		1,269,215	2,492,780
NET ASSETS		2,963,398	2,823,366
EQUITY			
Contributed equity	13	200,000	200,000
Retained profits		2,763,398	2,623,366
TOTAL EQUITY		2,963,398	2,823,366

The accompanying notes form part of these financial statements.

USHA MARTIN AUSTRALIA PTY LTD
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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2017

	Issued Capital $	Retained Earnings $	Total $
Balance 1 April 2015	200,000	2,369,371	2,569,371
Profit attributable to member	-	253,996	253,996
Balance 31 March 2016	200,000	2,623,367	2,823,367
Profit attributable to member	-	140,031	140,031
Balance 31 March 2017	200,000	2,763,398	2,963,398

The accompanying notes form part of these financial statements.

USHA MARTIN AUSTRALIA PTY LTD
ABN 87 111 639 626

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2017

	Note	2017 $	2016 $
Cash flows from operating activities			
Receipts from customers		7,994,292	12,108,983
Interest received		275	907
Payments to suppliers and employees		(7,023,157)	(12,104,773)
Interest paid		(1,571)	(20,426)
Income tax paid		(42,709)	(72,276)
Net cash (outflow) from operating activities	20	927,130	(87,585)
Cash flows from investing activities			
Payment for property, plant and equipment		(2,111)	(1,288)
Net cash (outflow)/inflow from investing activities		(2,111)	(1,288)
Net increase/(decrease) in cash held		925,019	(88,873)
Effects of exchange rate changes on cash and cash equivalents		9,509	(2,427)
Cash at the beginning of the financial year		141,034	232,334
Cash at the end of the financial year	4	1,075,562	141,034

The accompanying notes form part of these financial statements.

Note 1. Statement of significant accounting policies

General Information and statement of compliance

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001.*

The financial report is for the entity Usha Martin Australia Pty Ltd as an individual entity. Usha Martin Australia Pty Ltd is a company limited by shares, incorporated and domiciled in Australia.

The financial report complies with all International Financial Reporting Standards (IFRS) in their entirety.

The following is a summary of the material accounting policies adopted by the company in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Reporting basis and conventions

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets and financial assets and financial liabilities for which the fair value basis of accounting has been applied.

Accounting policies

(a) Revenue Recognition

Revenue from the sale of goods and disposal of other assets is recognised when persuasive evidence (usually in the form of an executed sales agreement) of an arrangement exists and:

- there has been a transfer of risks and rewards to the customer;
- no further work or processing is required by the company;
- the quantity and quality of the goods has been determined with reasonable accuracy;
- the price is fixed or determinable;
- collectability is reasonably assured.

Revenue is therefore generally recognised when title passes which is usually at the point of delivery. Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

All revenue is stated net of the amount of goods and services tax (GST).

Note 1. Statement of significant accounting policies (Cont.)

(b) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of GST. The net amount of GST recoverable from, of payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which is receivable from, or payable to, the ATO are classified as operating cash flows.

(c) Leasing

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset (but not the legal ownership) are transferred to the entity are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the financial year.

Leased assets are depreciated over their estimated useful lives where it is likely that the economic entity will obtain ownership of the asset or over the term of the lease.

Operating lease payments are recognised in profit or loss upon payment.

(d) Borrowing Costs

Borrowing costs attributable to the acquisition and construction of qualifying assets are added to the cost up to the date when such assets are ready for their intended use. Other borrowing costs are recognised as expenses in the year in which these are incurred.

(e) Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year, together with benefits arising from wages and salaries, annual leave and sick leave, which will be settled after one year, have been measured at the amounts expected to be paid when the liability is settled plus related on-costs. Other employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Contributions are made by the company to employee superannuation funds and are charged as expenses when incurred.

Note 1. Statement of significant accounting policies (Cont.)

(f) Income Tax

The income tax expense/(benefit) for the year comprises current income tax expense/(benefit) and deferred tax expense/(benefit).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities/(assets) are therefore measured at the amounts expected to be paid to/(recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the financial year as well as unused tax losses.

Current and deferred income tax expense/(benefit) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised. No deferred tax asset relating to unused tax losses has been recognised at balance date.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred 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 it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

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

Note 1. Statement of significant accounting policies (Cont.)

(g) Foreign Currency

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of transaction. Foreign currency monetary assets and liabilities are translated at the balance date rates. Non monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the income statement, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity; otherwise the exchange difference is recognised in the income statement.

(h) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

(i) Inventories

Inventories are valued at the lower of cost and net realisable value. Costs are assigned on a specific item basis.

(j) Investments

Current investments are valued at lower of cost and net realisable value. Long term investments are stated at cost and a diminution provision is carried where the market value is less than cost.

(k) Property, Plant and Equipment

Plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The following useful lives are used in the calculation of depreciation:

- Plant and equipment 1–5 years
- Furniture and fixtures 6–10 years

Note 1. Statement of significant accounting policies (Cont.)

(k) Property, Plant and Equipment (Cont.)

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

(l) Impairment

At the end of each reporting period, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that could have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(m) Provisions

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

(n) Financial instruments

Financial assets
Financial assets are recognised initially on the date at which the company becomes a party to the contractual provisions of the instrument.

Note 1. Statement of significant accounting policies (Cont.)

Financial assets (Cont.)

The company derecognises the 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.

Financial assets and liabilities are offset and the net amount 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.

The company has the following financial assets: loans and receivables and cash and cash equivalents.

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition loans and receivables are measured at amortised cost using effective interest method, less any impairment losses.

Loans and receivables comprise cash and cash equivalents and trade and other receivables.

Cash and cash equivalents comprise cash balances and call deposits with original maturities of three months or less. Bank overdrafts that are repayable on demand and form an integral part of the company's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

Financial liabilities

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

The company derecognises a financial liability when its contractual obligations are discharged or cancelled or expired.

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

The company classified financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest rate method.

Other financial liabilities comprise trade and other payables.

Note 1. Statement of Significant Accounting Policies (Cont.)

(o) Use of Estimates and Judgments

The preparation of financial statements in conformity with the Australian Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

There are no judgements made by management in the application of the Australian Accounting Standards that have a significant effect on the financial report or estimates with a significant risk of material adjustment in the next year.

(p) Comparative Figures

Comparative figures have been adjusted to conform to changes in presentation for the current financial year where required by accounting standards or as a result of changes in accounting policy.

(q) Application of New and Revised Accounting Standards

Amendments to AASBs and the new Interpretations that are mandatorily effective for the current year

In the current year, the company has applied a number of amendments to AASBs and new Interpretations issued by the Australian Accounting Standards Board (AASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2017, and therefore relevant for the current year end.

Standard	Requirement
AASB 2016-3 Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 *Materiality*	The standard completes the AASB's project to remove Australian guidance on materiality from the Australian Accounting Standards.
AASB 2016-4 Amendments to Australian Accounting Standards – Financial Reporting Requirements for Australian Groups with a Foreign Parent	The amendment aligns the relief available in AASB 10 *Consolidated Financial Statements* and AASB 128 *Investments in Associates and Joint Ventures* in respect of the financial reporting requirements for Australian Groups with a foreign parent.

Note 1. Statement of Significant Accounting Policies (Cont.)

(q) Application of new and revised Accounting Standards (Cont.)

Amendments to AASBs and the new interpretations that are mandatorily effective for the current year (Cont.)

Standard	Requirement
AASB 2014-4 Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to AASB 116 and AASB 138)	AASB 116 *Property Plant and Equipment* and AASB 138 *Intangible Assets* both establish the principle for the basis of depreciation and amortization as being the expected pattern of consumption of the future economic benefits of an asset. The IASB has clarified that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset. The amendment also clarified that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. This presumption, however, can be rebutted in certain limited circumstances.
AASB 1057 Application of Australian Accounting Standards	This Standard lists the application paragraphs for each other Standard (and Interpretation), grouped where they are the same. Accordingly, paragraphs 5 and 22 respectively specify the application paragraphs for Standards and Interpretations in general. Differing application paragraphs are set out for individual Standards and Interpretations or grouped where possible. The application paragraphs do not affect requirements in other Standards that specify that certain paragraphs apply only to certain types of entities.
AASB 2016-1 Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012-2014 Cycle	The subjects of the principal amendments to the Standards are set out below: - AASB 5 Non-current Assets Held for Sale and Discontinued Operations: o Changes in methods of disposal – where an entity reclassifies an asset (or disposal group) directly from being held for distribution to being held for sale (or visa versa), an entity shall not follow the guidance in paragraphs 27–29 to account for this change.

Note 1. Statement of Significant Accounting Policies (Cont.)

(q) Application of new and revised Accounting Standards (Cont.)

Amendments to AASBs and the new interpretations that are mandatorily effective for the current year (Cont.)

Standard	Requirement
AASB 2016-1 (Cont.) Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012-2014 Cycle	- AASB 7 Financial Instruments: Disclosures: o Servicing contracts - clarifies how an entity should apply the guidance in paragraph 42C of AASB 7 to a servicing contract to decide whether a servicing contract is 'continuing involvement' for the purposes of applying the disclosure requirements in paragraphs 42E–42H of AASB 7. o Applicability of the amendments to AASB 7 to condensed interim financial statements - clarify that the additional disclosure required by the amendments to AASB 7 Disclosure–Offsetting Financial Assets and Financial Liabilities is not specifically required for all interim periods. However, the additional disclosure is required to be given in condensed interim financial statements that are prepared in accordance with AASB 134 Interim Financial Reporting when its inclusion would be required by the requirements of AASB 134. - AASB 134 Interim Financial Reporting: o Disclosure of information 'elsewhere in the interim financial report' - amends AASB 134 to clarify the meaning of disclosure of information 'elsewhere in the interim financial report' and to require the inclusion of a cross-reference from the interim financial statements to the location of this information.
AASB 2016-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101	The Standard makes amendments to AASB 101 Presentation of Financial Statements arising from the IASB's Disclosure Initiative project. The amendments are designed to further encourage companies to apply professional judgment in determining what information to disclose in the financial statements. For example, the amendments make clear that materiality applies to the whole of financial statements and that the inclusion of immaterial information can inhibit the usefulness of financial disclosures. The amendments also clarify that companies should use professional judgment in determining where and in what order information is presented in the financial disclosures.

Note 1. Statement of Significant Accounting Policies (Cont.)

(q) Application of new and revised Accounting Standards (Cont.)

Amendments to AASBs and the new interpretations that are mandatorily effective for the current year (Cont.)

Standard	Requirement
AASB 2016-9 Amendments to Australian Accounting Standards – Scope and Application Paragraphs	This Standard inserts scope paragraphs into AASB 8 and AASB 133 in place of application paragraph text in AASB 1057. This is to correct inadvertent removal of these paragraphs during editorial changes made in August 2016. There is no change to the requirements or the applicability of AASB 8 and AASB 133.

Standards and Interpretations in issue not yet adopted

Standard	Application date of standard	Application date for Company
AASB 9 Financial Instruments	1 January 2018	1 April 2018
AASB 15 Revenue from Contracts with Customers	1 January 2018	1 April 2018
AASB 16 Leases	1 January 2019	1 April 2019
AASB 2017-1 Amendments to Australian Accounting Standards – Recognition of Deferred Tax Assets for Unrealised Losses (AASB 112)	1 January 2017	1 April 2017
AASB 2017-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107	1 January 2017	1 April 2017
Annual Improvements to IFRS Standards 2014-2017 Cycle	1 January 2017	1 April 2017
IFRIC Interpretation 22	1 January 2018	1 April 2018

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

	2017 $	2016 $
Note 2. Profit from ordinary activities		
Profit from ordinary activities before income tax expense has been determined after:		
(a) Revenue		
Sales revenue	6,413,974	10,807,226
Other operating revenue		
- Interest received	275	907
- FBT contribution received	-	4,517
- Currency gain/(loss)	(17,132)	53,810
(b) Expenses		
Cost of sales	5,002,899	9,361,105
Finance costs		
- External	-	-
- Internal	1,571	10,464
Bad and doubtful debts	16,040	(5,423)
Management fees	150,000	150,000
Operating lease	207,254	193,128
Note 3. Income tax		
(a) Components of income tax expense comprise:		
Current tax	72,325	72,971
Deferred tax	(12,311)	35,881
	60,014	108,852
(b) The prima facie tax payable on profit from ordinary activities is reconciled to the income tax expense as follows:		
Prima facie tax payable on profit from ordinary activities at 30%	60,014	108,852
Income tax attributable to entity	60,014	108,852

	2017 $	2016 $
Note 4. Cash and cash equivalents		
Bank accounts:		
- ANZ business classic account	256,569	25,697
- ANZ USD account	5,033	1,543
- Westpac business one account	532,479	35,146
- Westpac USD account	281,241	78,546
Other cash items:		
- Petty cash	240	102
	1,075,562	141,034

Reconciliation of cash:

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the balance sheet as follows:

Cash	1,075,562	141,034

Note 5. Trade and other receivables		
Trade debtors		
- External	1,193,931	2,174,253
Provision for doubtful debts	(19,800)	(3,760)
Other debtors	-	-
	1,174,131	2,170,493

Trade receivables are recognised and carried at original invoice amount less any allowance for uncollectable amounts. Terms of settlement vary up to 120 days. The carrying amount of the receivable is deemed to reflect fair value.

Provision for doubtful debts are recognised against trade receivables based on estimated irrecoverable amounts determined by reference to past default experience of the counterparty and an analysis of the counterparty's current financial position.

Age of receivables that are past due but not impaired

Trade debtors		
< 30 days	238,469	375,395
31-60 days	44,897	213,699
> 60 days	122,313	49,262
	405,679	638,356

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

	2017 $	2016 $
Note 5. Trade and other receivables (Cont.)		
Movement in the provision for doubtful debts		
Balance at beginning of the year	3,760	9,183
Net provision allowed	16,040	(5,423)
Balance at end of the year	19,800	3,760
Note 6. Inventories		
Stock in transit	633,054	396,827
Stock on hand	1,290,130	2,553,197
Provision for diminution in value	(73,117)	(78,603)
	1,850,067	2,871,421
Note 7. Tax assets		
Current		
Income tax refundable	-	136
Non-current		
Deferred tax	54,708	42,396
Note 8. Other assets		
Deposits paid	45,166	45,166
Note 9. Property, plant and equipment		
Plant and equipment:		
- At cost	134,146	133,777
- Less accumulated depreciation	(109,842)	(96,171)
	24,304	37,606
Furniture and fixtures		
- At cost	9,750	9,745
- Less accumulated depreciation	(6,856)	(7,633)
	2,894	2,112
	27,198	39,719
Note 10. Investment in associated company		
PT Usha Martin Indonesia	5,781	5,781

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

	2017 $	2016 $
Note 11. Trade and other payables		
Current		
Trade creditors		
- external	62,112	61,469
- related parties	960,512	1,931,600
Accrued expenses	123,148	156,175
Customer Deposits	50,000	50,000
	1,195,772	2,199,244
Non-current		
Trade creditors		
- related parties	-	262,500
Note 12. Provisions		
Current		
Employee entitlements	39,888	18,369
Non-current		
Employee entitlements	33,555	12,667
Note 13. Contributed equity		
200,000 fully paid ordinary shares of $1 each	200,000	200,000

Ordinary shares participate in dividends and the proceeds on winding up of the company in proportion to the number of shares held.

At shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

Note 14. Key management personnel compensation		
Short term and total	225,774	230,928
Note 15. Auditor's remuneration		
Assurance services	22,080	17,500
Other services	12,500	9,000
	34,580	26,500

	2017 $	2016 $

Note 16. Contingent liabilities

There are no contingent liabilities.

Note 17. Capital and leasing commitments

(a) Operating lease

Non cancellable operating leases contracted for but not capitalised in the financial statements payable:

- not later than 12 months	27,995	167,969
- between 12 months and 5 years	-	27,995

The property lease is non cancellable with a 3 year 61 day term with rent payable monthly in advance. Rental provisions within the lease agreement require that the minimum lease payments shall be increased by 3% per annum on 31 March each year.

The company is currently in negotiations in relation to a new property lease for its premises. The lease has not been executed at this time, but the terms are expected to be for a period of 3 years commencing 1 June 2017 at $166,056 per annum indexed at CPI or 2% whichever is the greater. The lessor is to grant a total of 4 weeks rent free over the first two years of the lease.

Note 18. Company details

The registered office and principal place of business of the company are:

Unit 2, 468-470 Victoria Street
Wetherill Park NSW 2164

The parent entity is:

Usha Martin Singapore Pte. Ltd.

Note 19. Related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those stated.

Parent company

The determination of operating profit before income tax included the following items, which resulted from transactions with the parent company:

	2017 $	2016 $
Purchase of materials	700,506	35,550
Management fees	150,000	150,000
Intergroup interest	1,571	8,657
Aggregate amounts payable to the parent company:	403,838	279,528

Associated companies

Transactions with associated companies:

The determination of operating profit before income tax included the following items, which resulted from purchase of steel wire products from:

- Usha Martin India Limited	1,638,240	5,567,188
- Usha Siam Steel Industries Public Company Limited	1,336,050	2,043,468
- Brunton – Wolf Wire Ropes FZCO	-	39,552
- Brunton Shaw UK	32,080	4,931
- Usha Martin China Co.,Ltd	44,949	-
Other items invoiced from associated companies		
- Usha Martin India Limited	2,003	1,974
Other items invoiced to associated companies		
- Usha Martin India Limited	85,882	375
Interest paid to associated companies:		
- Usha Martin India	-	1,807
Early payment discounts received:		
- Usha Martin India Limited	4,475	5,395
- Usha Siam Steel Industries Public Company Limited	1,727	28,295

	2017 $	2016 $
Note 19. Related parties (Cont.)		
Aggregate amounts payable to associated companies		
- Usha Martin India Limited	209,649	921,055
- Usha Siam Steel Industries Public Company Limited	309,363	988,718
- Brunton Shaw UK	7,649	4,800
- Usha Martin China Co., Ltd	30,086	-
Note 20. Cash flow information		
Reconciliation of cash flow from operations with profit from ordinary activities after income tax		
Profit from ordinary activities after income tax	140,031	253,995
Non-cash flows in profit		
Depreciation	14,067	14,420
Effects of exchange rate changes on cash and cash equivalents	(9,509)	2,427
Loss on disposal of fixed assets	373	-
Changes to provisions		
Doubtful debts	16,040	(5,423)
Inventory diminution	(5,486)	16,594
Employee entitlements	1,246	(2,389)
Changes in assets and liabilities		
(Increase)/decrease in trade debtors	980,322	250,943
(Increase)/decrease in other debtors	-	348
(Increase)/decrease in inventory	1,026,840	813,387
(Increase)/decrease in deferred taxes	(12,312)	35,882
(Decrease)/increase in trade creditors and accruals	(970,445)	(1,532,826)
(Decrease)/increase in other creditors	(283,654)	64,363
(Decrease)/increase in provision for income tax	29,617	694
Cash flow from operations	927,130	(87,585)

Note 21. Events after the balance sheet date

No matters or circumstances have arisen that may significantly affect the operations or the state of affairs of the company in future financial years.

Note 22. Economic dependence

The continued activity of the company is dependent on the supply of product from its parent and associated entities worldwide.

The company is financially dependent on a single customer that comprised 20% of the gross sales revenue of the company for the 2017 financial year.

Note 23. Segment reporting

The company operates in one business segment being the sale of steel wire ropes and products.

The company operates predominantly in one geographical segment being Australia and New Zealand.

Note 24. Financial risk management

The company's financial instruments consist of deposits with banks, accounts receivable and payable, loans and leases.

Categories of financial instruments

	2017 $	2016 $
Financial assets		
Cash and bank balances	1,075,562	141,034
Loans and receivables	1,174,131	2,170,493
Investment	5,781	5,781
Other	45,166	45,166
	2,300,740	2,362,474
Financial liabilities		
Trade and other payables	1,195,772	2,199,244

Financial risk management objectives

The company's overall risk management strategy seeks to assist the company in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

(a) Interest rate risk:
The company has no external borrowings. Its parent entity provides any required financial support.

(b) Foreign currency risk:
The company is exposed to currency fluctuations as it acquires inventory in US dollars and Australian dollars and sells product in US dollars and Australian dollars.

The company adopts a natural hedge strategy by generally aligning the US currency purchases with US currency sales and Australian currency purchases with Australian currency sales.

Note 24. Financial risk management (Cont.)

(c) Liquidity risk:
The company manages liquidity risk by monitoring cash flow forecasts and securing long payment terms in respect of purchases.

(d) Credit risk:
There is no material credit risk.

(e) Price risk:
The company is exposed to commodity price variances in respect of steel. However, 100% of inventory purchases are acquired from related parties.

USHA MARTIN AUSTRALIA PTY LTD
ABN 87 111 639 626

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 3 to 24 are in accordance with the Corporations Act 2001:

   (a) comply with Accounting Standards as described in Note 1 to the financial statements and the Corporations Regulations 2001; and

   (b) give a true and fair view of the company's financial position as at 31 March 2017 and of the performance for the year ended on that date.

2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the board of directors:

Mr B K Madan
Director

Mr T Gangopadhyay
Director

18 April 2017

USHA MARTIN AUSTRALIA PTY LTD
ABN 87 111 639 626

INDEPENDENT AUDIT REPORT TO THE MEMBERS

Auditor's Opinion

We have audited the accompanying financial report, being a general purpose financial report, of Usha Martin Australia Pty Ltd which comprises the statement of financial position as at 31 March 2017, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the declaration by directors.

In our opinion:

(a) the financial report of Usha Martin Australia Pty Ltd is in accordance with the *Corporations Act 2001*, including:

   (i) giving a true and fair view of the company's financial position as at 31 March 2017 and of its performance for the financial year ended on that date; and

   (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.

(b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of Usha Martin Australia Pty Ltd in accordance with the auditor independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the company, would be in the same terms if given as at the time of this auditor's report.

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

Directors' Responsibility for the Financial Report

The directors are responsible for the preparation of the general purpose financial report that gives a true and fair view in accordance with the Australian Accounting Standards in accordance with the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing Usha Martin Australia Pty Ltd'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 management either intend to liquidate the Entity or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDIT REPORT TO THE MEMBERS (Cont.)

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 Australian Auditing Standards 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 this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, 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 Usha Martin Australia Pty Ltd'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 Usha Martin Australia Pty Ltd's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report 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 auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents 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.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Benbow & Pike
Chartered Accountants
Suite 401, 54 Miller Street
North Sydney NSW 2060

Graham D Pike
Partner

18 April 2017

USHA MARTIN AUSTRALIA PTY LTD
ABN 87 111 639 626

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS

I declare that, to the best of my knowledge and belief, during the year ended 31 March 2017 there have been:

(i) no contraventions of the auditor's independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Benbow & Pike
Chartered Accountants
Suite 401, 54 Miller Street
North Sydney NSW 2060

Graham D Pike
Partner
18 April 2017

USHA MARTIN AUSTRALIA PTY LTD
ABN 87 111 639 626

COMPILATION REPORT TO USHA MARTIN AUSTRALIA PTY LTD

Scope

On the basis of information provided by the directors of Usha Martin Australia Pty Ltd, we have compiled in accordance with APES 315 'Compilation of Financial Information' the special purpose financial report of Usha Martin Australia Pty Ltd for the year ended 31 March 2017 as set out on the following pages.

The specific purpose for which the special purpose financial report has been prepared is to provide confidential information to the directors and member. The extent to which Accounting Standards and other mandatory professional reporting requirements have or have not been adopted in the preparation of the special purpose financial report is set out in Note 1.

The directors are solely responsible for the information contained in the special purpose financial report and have determined that the accounting policies used are consistent and are appropriate to satisfy the requirements of the directors and for the purpose that the financial report was prepared.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the directors provided, in compiling the financial report. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

To the extent permitted by law, we do not accept liability for any loss or damage which any person, other than the company, may suffer arising from any negligence on our part. No person should rely on the special purpose financial report without having an audit or review conducted.

The special purpose financial report was prepared for the benefit of the company and its member and the purpose identified above. We do not accept responsibility to any other person for the contents of the special purpose financial report.

Benbow & Pike
Chartered Accountants
Suite 401, 54 Miller Street
North Sydney NSW 2060

Graham D Pike
Partner
18 April 2017

USHA MARTIN AUSTRALIA PTY LTD
ABN 87 111 639 626

TRADING AND PROFIT & LOSS STATEMENT
FOR THE YEAR ENDED 31 MARCH 2017

	2017 $	2016 $
Revenue		
Sales	6,413,974	10,807,226
Cost of sales		
Opening stock	2,553,197	2,952,219
Purchases	3,515,597	8,105,055
Purchase adjustments/discounts	(92,079)	(40,652)
Provision for diminution in inventory	(5,486)	16,594
Freight inwards	74,739	203,131
Freight outwards	88,284	165,792
Hire of equipment	4,800	1,200
Labour hire	-	-
Marine freight (import)	585	316
Materials and supplies	268	1,281
Detention fees	85	2,175
Container repair	704	(37)
Warehouse expense	420	10,712
Import duty	89,195	315,503
Gas	1,088	1,010
Port service charges	61,631	180,003
	6,293,028	11,914,302
Closing stock	(1,290,129)	(2,553,197)
Total cost of sales	5,002,899	9,361,105
Gross profit from trading	1,411,075	1,446,121

USHA MARTIN AUSTRALIA PTY LTD
ABN 87 111 639 626

TRADING AND PROFIT & LOSS STATEMENT
FOR THE YEAR ENDED 31 MARCH 2017

	2017 $	2016 $
Income		
Gross profit from trading	1,411,075	1,446,121
Interest received	275	907
FBT contributions received	-	4,517
Currency gain/(loss)	(17,132)	53,810
Total income	1,394,218	1,505,355
Expenses		
Accountancy	12,500	9,000
Advertising and promotion	413	350
Audit fees	22,080	17,500
Bad and doubtful debts	16,040	(5,423)
Bank fees and charges	4,400	4,872
Cleaning and rubbish removal	6,819	8,725
Consultancy fees	6,300	6,120
Commissions	7,512	4,891
Depreciation	14,067	14,420
Donations	2,650	-
Electricity and gas	6,988	4,814
Filing fees	249	246
Fringe benefits tax	20,380	10,298
Insurance	32,417	35,338
Interest paid	1,571	10,464
Internet charges	395	349
Leave travel allowance	4,500	4,500
Loss on disposal of fixed assets	373	-
Legal and professional fees	-	1,996
Management fees	150,000	150,000
Motor vehicle lease	23,263	10,144
Postage, printing and stationery	2,926	4,537
Private health insurance and medical expenses	5,219	4,443
Protective clothing	-	701
Provision for annual leave	43,530	1,643
Provision for bonus	(12,961)	34,129
Rent	207,254	193,128
Repairs and maintenance	1,024	3,403
Staff amenities and training	659	1,000
Subscriptions	24,264	19,841
Superannuation	43,689	44,332
Telephone	7,365	7,506
Travel expenses	30,659	23,934
Wages and salaries	498,003	506,067
Workers' compensation insurance	9,626	9,240
Total expenses	1,194,173	1,142,508
Profit before income tax	200,044	362,847

PT Usha Martin Indonesia

31 March 2017

Contents

Compilation report to Management of PT Usha Martin Indonesia

We have compiled the accompanying financial statements of PT Usha Martin Indonesia based on information you have provided. These financial statements comprise the statement of financial position as at 31 March 2017, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements.

We performed this compilation engagement in accordance with Singapore Standard on Related Services 4410 (Revised), Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of these financial statements on the basis of accounting described in Note 2(a) to the financial statements. We have complied with relevant ethical requirements, including principles of integrity, objectivity, professional competence and due care.

These financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with the basis of accounting described in Note 2(a).

Note 2(a) states the basis on which these financial statements are prepared. These financial statements are for your use only, and may not be suitable for other purposes.

Our compilation report is intended solely for your use in your capacity as management of PT Usha Martin Indonesia and should not be distributed to other parties.

Foo Kon Tan LLP
Public Accountants and
Chartered Accountants

Singapore,

Statement of financial position
as at 31 March 2017

	Note	31 March 2017 US$	31 March 2016 US$
ASSETS			
Non-Current			
Plant and equipment	4	**1,173**	2,413
Current			
Inventories	5	**423,111**	240,016
Trade and other receivables	6	**306,779**	492,996
Prepayments		**2,347**	1,109
Cash and cash equivalents	7	**179,676**	118,646
		911,913	852,767
Total assets		**913,086**	855,180
EQUITY			
Capital and Reserves			
Share capital	8	**100,000**	100,000
Retained profits		**517,601**	382,538
		617,601	482,538
LIABILITIES			
Current			
Other payables	9	**37,015**	23,785
Amount due to immediate holding company - trade	10	**258,470**	348,857
		295,485	372,642
Total equity and liabilities		**913,086**	855,180

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

Statement of comprehensive income
for the financial year ended 31 March 2017

	Note	**Year ended 31 March 2017 US$**	Year ended 31 March 2016 US$
Revenue	3	**1,629,114**	1,639,202
Cost of sales		**(1,349,315)**	(1,402,080)
Gross profit		**279,799**	237,122
Other income	11	**5,949**	17,212
Administrative expenses		**(75,349)**	(70,330)
Other operating expenses		**(36,413)**	(42,859)
Profit before taxation	12	**173,986**	141,145
Income tax expense	13	**(38,923)**	(48,022)
Profit for the year, representing total comprehensive income for the year		**135,063**	93,123

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

Statement of changes in equity
for the financial year ended 31 March 2017

	Share capital US$	Retained profits US$	Total US$
Balance at 1 April 2015	100,000	289,415	389,415
Total comprehensive income for the year	-	93,123	93,123
Balance at 31 March 2016	**100,000**	**382,538**	**482,538**
Total comprehensive income for the year	-	**135,063**	**135,063**
Balance at 31 March 2017	**100,000**	**517,601**	**617,601**

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

Statement of cash flows
for the financial year ended 31 March 2017

	Year ended 31 March 2017 US$	Year ended 31 March 2016 US$
Cash Flows from Operating Activities		
Profit before taxation	173,986	141,145
Adjustments for:		
Depreciation of plant and equipment (Note 4)	1,240	1,435
Interest income	(1,236)	(756)
Operating profit before working capital changes	173,990	141,824
Change in inventories	(183,095)	19,650
Change in trade and other receivables	186,217	191,945
Change in prepayments	(1,238)	983
Change in other payables	13,230	(11,468)
Change in amount due to immediate holding company	(90,387)	(243,499)
Cash generated from operations	98,717	99,435
Interest received	1,236	756
Income tax paid	(38,923)	(48,022)
Net cash generated from operating activities	61,030	52,169
Net increase in cash and cash equivalents	61,030	52,169
Cash and cash equivalents at beginning of year	118,646	66,477
Cash and cash equivalents at end of year (Note 7)	179,676	118,646

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

Notes to the financial statements
for the financial year ended 31 March 2017

1 General information

The Company is a limited liability company incorporated and domiciled in Indonesia.

The registered office and principal place of business of the Company is located at Gedung Konica Lt.3A Jl. Gunung Sahari Raya No. 78, Jakarta 10610, Indonesia.

The principal activities of the Company are those related to the business of importing and selling steel wire ropes.

The Company is a subsidiary of Usha Martin Singapore Pte Ltd, incorporated in Singapore, which is also the Company's holding company.

2(a) Basis of preparation

The financial statements are prepared in accordance with Singapore Financial Reporting Standards ("FRS") including related Interpretations promulgated by the Accounting Standards Council ("ASC"). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The financial statements are presented in United States dollars which is the Company's functional currency. All financial information is presented in United States dollars, unless otherwise stated.

The preparation of the financial statements in conformity with FRS requires the use of judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates.

2(b) Summary of significant accounting policies

Plant and equipment and depreciation
Plant and equipment are stated at cost or valuation less accumulated depreciation and accumulated impairment losses, if any. Depreciation is computed utilising the straight-line method to write off the cost of these assets over their estimated useful lives as follows:

Office equipment	4 years
Furniture and fittings	4 years
Software	4 years

2(b) Summary of significant accounting policies (Cont'd)

Plant and equipment and depreciation (Cont'd)

The cost of plant and equipment includes expenditure that is directly attributable to the acquisition of the items. Dismantlement, removal or restoration costs are included as part of the cost of plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset. Cost may also include transfers from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of plant and equipment.

Subsequent expenditure relating to plant and equipment that have been recognised is added to the carrying amount of the asset when it is probable that future economic benefits in excess of the standard of performance of the asset before the expenditure was made will flow to the Company and the cost can be reliably measured. Other subsequent expenditure is recognised as an expense during the financial year in which it is incurred.

For acquisitions and disposals during the financial year, depreciation is provided from the month of acquisition and to the month before disposal respectively. Fully depreciated plant and equipment are retained in the books of accounts until they are no longer in use.

Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at each reporting date as a change in estimates.

Construction in progress is stated at cost. The cost includes staff cost and expenditure directly attributable to the acquisition of the items. Depreciation begins when it is available for use, ie when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Intangible assets

Intangible asset pertains to software development expenditure which is not an integral part of the related hardware. Intangible asset has finite lives and is measured at cost less accumulated amortisation and impairment losses.

Amortisation is calculated over the cost of the asset, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over their estimated useful lives of 3 years, from the date on which they are available for use.

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Financial assets

Financial assets can be divided into the following categories: financial assets at fair value through profit or loss, held-to-maturity investments, loans and receivables and available-for-sale financial assets. Financial assets are assigned to the different categories by management on initial recognition, depending on the purpose for which the assets were acquired. The designation of financial assets is re-evaluated and classification may be changed at the reporting period with the exception that the designation of financial assets at fair value through profit or loss is not revocable.

All financial assets are recognised on their trade date - the date on which the Company commits to purchase or sell the asset. Financial assets are initially recognised at fair value, plus directly attributable transaction costs except for financial assets at fair value through profit or loss, which are recognised at fair value.

Derecognition of financial instruments occurs when the rights to receive cash flows from the investments expire or are transferred and substantially all of the risks and rewards of ownership have been transferred. An assessment for impairment is undertaken at least at end of each reporting period whether or not there is objective evidence that a financial asset or a group of financial assets is impaired.

2(b) Summary of significant accounting policies (Cont'd)

Financial assets (Cont'd)

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Non-compounding interest and other cash flows resulting from holding financial assets are recognised in profit or loss when received, regardless of how the related carrying amount of financial assets is measured.

The Company does not hold any financial assets at fair value through profit or loss, available-for-sale financial assets or held-to-maturity investments.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to a debtor with no intention of trading the receivables. They are included in current assets, except for maturities greater than 12 months after the reporting date which are classified as non-current assets.

Loans and receivables are recognised initially at fair value plus any directly attributable transaction costs.

Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in profit or loss. Any reversal shall not result in a carrying amount that exceeds what the amortised cost would have been had any impairment loss not been recognised at the date the impairment is reversed.

Any reversal is recognised in profit or loss.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows, discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against loans and receivables. When a subsequent event (e.g. repayment by a debtor) causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Loans and receivables comprise trade and other receivables and cash and cash equivalents.

Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balances.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in-first-out method.

Net realisable value is based on estimated selling prices in less any estimated costs to be incurred to completion and disposal.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

2(b) Summary of significant accounting policies (Cont'd)

Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets, other than inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

If it is not possible to estimate the recoverable amount of the individual asset, then the recoverable amount of the cash-generating unit to which the assets belong will be identified.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

All individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss, is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell and value in use, based on an internal discounted cash flow evaluation. All assets are subsequently reassessed for indication that an impairment loss previously recognised may no longer exist.

Any impairment loss is charged to profit or loss unless it reverses a previous revaluation in which case it is charged to the statement of comprehensive income as part of other comprehensive income.

Any impairment loss is charged to the statement of profit or loss.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss has been recognised. A reversal of impairment loss is recognised in the statement of comprehensive income.

Financial liabilities

The Company's financial liabilities include trade and other payables and trade amount due to immediate holding company.

Financial liabilities are recognised when the Company becomes a party to the contractual agreements of the instrument. All interest-related charges are recognised as an expense in "finance cost" in profit or loss. Financial liabilities are derecognised if the Company's obligations specified in the contract expire or are discharged or cancelled.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, an only when, the Company currently has a legally enforceable right to set off the recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Trade and other payables are initially recognised at fair value, and subsequently measured at amortised cost, using the effective interest method.

2(b) Summary of significant accounting policies (Cont'd)

Employee benefits

Defined contribution plans

The Company makes contributions to the Central Provident Fund ("CPF") scheme in Singapore, a defined contribution plan regulated and managed by the Government of Singapore. The contributions to national pension schemes are charged to profit or loss in the period to which the contributions relate.

Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. Accrual is made for the unconsumed leave as a result of services rendered by employees up to the end of reporting period.

Key management personnel

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the entity. Directors are considered key management personnel.

Leases

Rentals on operating leases are charged to profit or loss on a straight-line basis over the lease term. Lease incentives, if any, are recognised as an integral part of the net consideration agreed for the use of the leased asset. Penalty payments on early termination, if any, are recognised in profit or loss when incurred.

Related parties

A related party is defined as follows:

(a) A person or a close member of that person's family is related to the Company if that person:

- (i) has control or joint control over the Company;
- (ii) has significant influence over the Company; or
- (iii) is a member of the key management personnel of the Company or of a parent of the Company.

(b) An entity is related to the Company if any of the following conditions applies:

- (i) the entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) both entities are joint ventures of the same third party.
- (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) the entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;
- (vi) the entity is controlled or jointly controlled by a person identified in (a);
- (vii) a person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or
- (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

2(b) Summary of significant accounting policies (Cont'd)

Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Revenue from sale of goods is recognised upon the transfer of significant risk and rewards of ownership of the goods to the customer, which generally coincides with delivery and acceptance of the goods sold. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

Interest income is recognised on a time-apportioned basis using effective interest rate method.

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 ("functional currency"). The financial statements of the Company are presented in United States dollars, which is also the functional currency of the Company.

Conversion of foreign currencies

Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency translation differences from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the reporting date are recognised in profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the date of the transactions.

Income tax

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither the accounting or taxable profit or loss at the time of the transaction.

A deferred income tax asset is to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

(i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period; and

(ii) based on the tax consequence that will follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expense in profit or loss.

3 Revenue

	2017 US$	2016 US$
Sales of goods	1,629,114	1,639,202

4 Plant and equipment

	Furniture and fittings US$	Office equipment US$	Software US$	Total US$
Cost				
At 1 April 2015 and 31 March 2016At 31 March 2017	**2,740**	**3,977**	**1,089**	**7,806**
Accumulated depreciation				
At 1 April 2015	1,186	2,522	250	3,958
Depreciation for the year	581	582	272	1,435
At 31 March 2016	**1,767**	**3,104**	**522**	**5,393**
Depreciation for the year	**452**	**516**	**272**	**1,240**
At 31 March 2017	**2,219**	**3,620**	**794**	**6,633**
Net book value				
At 31 March 2017	**521**	**357**	**295**	**1,173**
At 31 March 2016	973	873	567	2,413

5 Inventories

	2017 US$	2016 US$
Finished goods	156,449	158,511
Goods in transit	266,662	81,505
	423,111	240,016

6 Trade and other receivables

	2017 US$	2016 US$
Trade receivables		
- Third parties	272,681	440,717
- Holding company	1,922	-
Other receivables		
- Deposits	2,650	3,263
- Others	29,526	49,016
	306,779	492,996

7 Cash and bank balances

	2017 US$	2016 US$
Cash at bank	179,277	118,172
Cash on hand	399	474
	179,676	118,646

8 Share capital

	2017 US$	2016 US$
Issued and fully paid, with no par value:		
100,000 ordinary shares	100,000	100,000

9 Other payables

	2017 US$	2016 US$
Other payables:		
- VAT payables	-	1,539
- Corporate tax payables	7,097	4,139
- Accrual	4,916	5,413
- Others	25,002	12,694
	37,015	23,785

10 Amount due to immediate holding company

	2017 US$	2016 US$
Amount due to immediate holding company – trade	258,470	348,857

11 Other income

	2017 US$	2016 US$
Interest income	1,236	756
Foreign exchange gains	606	8,687
Sundry income	4,107	7,769
	5,949	17,212

12 Profit before taxation

	Note	2017 US$	2016 US$
Profit before taxation has been arrived at after charging/(crediting):			
Depreciation of plant and equipment	4	1,240	1,435
Other professional charges		205	3,370
Travelling expenses		6,408	4,324
Staff costs:			
Director's remuneration		24,701	24,935
Staff salaries and bonus		10,407	8,354
Medical expenses		1,033	400
Staff commission		10,539	8,209
Staff insurance		150	594
		46,830	42,492

13 Taxation

	2017 US$	2016 US$
Current taxation		
- Current year	53,183	36,164
- Adjustments in respect of prior years	(14,260)	11,858
	38,923	48,022

Reconciliation of effective tax rate

	2017 US$	2016 US$
Profit before taxation	173,986	141,145
Tax calculated using Indonesia tax rate	43,496	30,804
Tax effect on non-deductible expenses	9,687	5,360
Adjustments in respect of prior years	(14,260)	11,858
	38,923	48,022

14 Operating leases commitment (non-cancellable)

At the reporting period, the Company was committed to making the following lease rental payments under non-cancellable operating leases for office premises and warehouse space:

	2017 US$	2016 US$
Within one year	1,522	9,129
After one year but not more than five years	-	2,001
	1,522	11,130

15 Significant related party transactions

(a) Sale and purchase of goods and services

The Company had the following significant related party transactions during the financial year and the effect of these transactions on the basis determined between the parties are reflected in the financial statements:

	2017 US$	2016 US$
Purchase of finished goods from:		
- immediate holding company	1,451,293	1,256,819

Supplementary Statement – For management purposes only. This does not form an integral part of the financial statements.

For the financial year ended 31 March 2017

	For the year ended 31 March 2017	For the year ended 31 March 2016
	USD	USD
REVENUE		
Sales	**1,629,114**	1,639,202
COST OF SALES		
Opening stock	**240,017**	259,666
Purchases	**1,451,293**	1,256,818
Import duty	**-**	72,007
Freight charges	**75,777**	53,300
Warehouse expense	**5,339**	-
Breaking load test	**-**	305
Less : Closing stock	**(423,111)**	(240,016)
	1,349,315	1,402,080
Gross Profit	**279,799**	237,122
ADD: OTHER INCOME		
Interest income	**1,236**	756
Foreign exchange gain	**606**	8,687
Sundry income	**4,107**	7,769
	5,949	17,212
Total income	**285,748**	254,334
LESS : OPERATING EXPENSES		
Administrative expenses		
Director's remuneration	**24,701**	24,935
Salaries & bonus	**10,407**	8,354
Medical expenses	**1,033**	400
Staff commission	**10,539**	8,209
Staff insurance	**150**	594
Office rental	**7,991**	8,435
Warehouse rental	**6,773**	6,258
Auditor's remuneration	**6,025**	6,135
Other professional charges	**3,774**	3,370
Postage and courier	**1,001**	720
Printing and stationery	**1,573**	1,282
Telephone, telex and telegrams	**1,382**	1,638
	75,349	70,330

	For the year ended 31 March 2017 USD	For the year ended 31 March 2016 USD
Other expenses		
Bank charges	**466**	867
Car rental expense	**1,853**	768
Depreciation	**1,240**	1,435
Demurrage	**-**	930
General expenses	**1,916**	1,326
General insurance	**-**	276
Handling charge	**-**	4,279
Deposit write off	**21,260**	-
Provision of credit losses	**-**	18,000
Refreshment	**2,708**	3,302
Repairs and maintenance	**-**	1,405
Transport	**-**	2,735
Travelling	**6,408**	4,324
Utilities	**344**	5
Other expenses	**218**	3,207
	36,413	42,859
	111,762	113,189
Profit before taxation	**173,986**	141,145

USHA MARTIN VIETNAM COMPANY LIMITED

(Incorporated in Vietnam)
Tax code: 0307287151

AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2017

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REPORT OF THE BOARD OF MANAGEMENT

The Board of Management of Usha Martin Viet Nam Company Limited (the "Company") presents this report and the Company's audited financial statements for the year ended March 31, 2017.

THE COMPANY

The Company has been incorporated in Vietnam as a wholly foreign-owned enterprise in the form of a limited liability company for duration of 10 years under the investment certificate No. 411043000983 granted by the Ho Chi Minh City People's Committee on February 24, 2009 and the third amended investment certificate dated September 03, 2014.

On February 10, 2012, the People's Committee of Long An Province - the Management Board of Economic Zone granted business registration certificate No. 5014000001 for the Company's branch, the first amendment on March 27, 2012 on establishing the Company's branch at F.2A, Long Hau - Hiep Phuoc Street, Long Hau Industrial Park, Long Hau Commune, Can Giuoc District, Long An Province, Vietnam.

The head office of the Company is located at No. 18A, D2 Street, Ward 25, Binh Thanh District, Ho Chi Minh City, Vietnam.

The owner of the Company is Usha Martin Singapore Pte. Ltd, incorporated in Singapore.

BUSINESS ACTIVITIES

The business activities of the Company are to implement the right to import goods with the codes of HS 7206, 7207, 7211, 7213 → 7215, 7217, 7227 → 7229, 7312 of Export - Import tariffs and the list of exported, imported goods in Vietnam promulgated by the Ministry of Finance.

RESULTS

The Company's state of affairs as at March 31, 2017 and the results of its operations and cash flows for the year then ended are set out in the financial statements on pages from 4 to 21.

EVENTS AFTER THE BALANCE SHEET DATE

There have been no significant events occurring after the balance sheet date which would require adjustments or disclosures to be made in the financial statements.

THE BOARD OF MEMBERS AND MANAGEMENT

The members of the Board of Members and Management of the Company who have held business during the year and at the date of this report are as follows:

Board of Management

Mr. Pham Phu Qui	General Director
Mr. Tapas Gangopadhyay	Director

REPORT OF THE BOARD OF MANAGEMENT (continued)

AUDITORS

The auditors, U&I Auditing Company Limited, have performed audit on the Company's financial statements for the year ended March 31, 2017 and have expressed their willingness to accept reappointment.

BOARD OF MANAGEMENT'S STATEMENT OF RESPONSIBILITY

The Management is responsible for preparing the financial statements of each fiscal year, which give a true and fair view of the state of affairs of the Company and of its operations and cash flows for the year. In preparing those financial statements, the Management is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable Accounting standards have been followed, 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 Management confirms that the Company has complied with the above requirements in preparing the financial statements.

The Management is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Company. It is 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.

STATEMENT BY THE BOARD OF MANAGEMENT

I, Pham Phu Qui - General Director, do hereby state on behalf of the Management, the accompanying financial statements have been properly drawn up in conformity with Vietnamese Accounting Standards and Vietnamese Enterprise Accounting System, and give a true and fair view of the financial position of the Company as at March 31, 2017 and of its results of operations and cash flows for the year then ended.

For and on behalf of the Board of Management,

CÔNG TY TRÁCH NHIỆM HỮU HẠN USHA MARTIN VIỆT NAM

Pham Phu Qui
General Director
April 19, 2017

U&I AUDIT
CPA & Business Advisors

No.: 31.06-190417/UI.SG

INDEPENDENT AUDITORS' REPORT

To: The Board of Members of Usha Martin Viet Nam Company Limited

We have audited the accompanying financial statements of Usha Martin Viet Nam Company Limited ("the Company"), approved on April 19, 2017, which comprise the balance sheet as at March 31, 2017, the related income statement, cash flow statement for the year then ended, and the notes to the financial statements, as set out on pages 4 to 21.

Management's Responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Vietnamese accounting standards, the Vietnamese enterprise accounting system and applicable regulations relevant to the preparation and presentation of financial statements and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2017, and its financial performance and its cash flows for the year then ended in accordance with Vietnamese accounting standards, Vietnamese enterprise accounting system and applicable regulations relevant to the preparation and presentation of financial statements in Vietnam.

CÔNG TY TRÁCH NHIỆM HỮU HẠN KIỂM TOÁN U&I

Pham Nguyen Truong Son
General Director
Registered No.: 0853-2013-051-1
For and on behalf of
U&I AUDITING COMPANY LIMITED
April 19, 2017

Duong Thu Trang
Auditor
Registered No.: 1827-2013-051-1

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BALANCE SHEET
As at March 31, 2017

FORM B 01 - DN

Currency: VND

ASSETS	Code	Notes	Closing balance	Opening balance
A. CURRENT ASSETS	**100**		**33,240,320,481**	**21,275,186,341**
I. Cash and cash equivalents	**110**		**18,295,605,801**	**4,215,176,618**
1. Cash	111	V.1	18,295,605,801	4,215,176,618
2. Cash equivalents	112		-	-
II. Short-term accounts receivable	**130**		**3,821,261,411**	**3,602,451,328**
1. Short-term trade accounts receivable	131	V.2	3,621,240,806	3,456,994,426
2. Other short-term receivables	136	V.3	200,020,605	145,456,902
III. Inventories	**140**		**11,123,453,269**	**12,526,545,218**
1. Inventory	141	V.4	11,123,453,269	12,526,545,218
2. Provision for decline in inventory	149		-	-
IV. Other current assets	**150**		**-**	**931,013,177**
1. Short-term prepaid expenses	151		-	35,913,759
2. Value added tax deductible	152		-	895,099,418
B. NON-CURRENT ASSETS	**200**		**366,863,199**	**862,000,701**
I. Long-term receivables	**210**		**281,664,856**	**381,664,856**
1. Receivables on long-term loans	215		-	100,000,000
2. Other long-term receivables	216	V.3	281,664,856	281,664,856
II. Fixed assets	**220**		**37,701,419**	**54,458,264**
Tangible fixed assets	221	V.5	37,701,419	54,458,264
- Cost	222		152,998,599	152,998,599
- Accumulated depreciation	223		(115,297,180)	(98,540,335)
III. Other non-current assets	**260**		**47,496,924**	**425,877,581**
1. Long-term prepaid expenses	261	V.6	44,081,265	85,204,027
2. Deferred income tax assets	262	V.7	3,415,659	340,673,554
TOTAL ASSETS	**270**		**33,607,183,680**	**22,137,187,042**

BALANCE SHEET
As at March 31, 2017
(Continued)

FORM B 01 - DN

Currency: VND

RESOURCES	Code	Notes	Closing balance	Opening balance
A. LIABILITIES	**300**		**22,609,881,321**	**14,310,930,108**
Short-term liabilities	**310**		**22,609,881,321**	**14,310,930,108**
1. Short-term trade accounts payable	311	V.8	20,162,150,258	11,256,775,714
2. Short-term advances from customers	312	V.10	1,669,279,885	1,042,037,569
3. Taxes and amounts payable to State budget	313	V.11	704,978,999	342,232,562
4. Payable to employees	314		-	-
5. Short-term accrued expenses	315	V.9	18,900,000	77,679,000
6. Other short-term payables	319	V.12	54,572,179	1,592,205,263
B. OWNER'S EQUITY	**400**		**10,997,302,359**	**7,826,256,934**
Capital sources and funds	**410**		**10,997,302,359**	**7,826,256,934**
1. Owner's capital	411	V.13	1,748,700,000	1,748,700,000
2. Retained earnings	421	V.14	9,248,602,359	6,077,556,934
- Accumulated retained earnings brought forward	421a		6,077,556,934	4,617,570,677
- Retained earnings for current year	421b		3,171,045,425	1,459,986,257
TOTAL RESOURCES	**440**		**33,607,183,680**	**22,137,187,042**

CÔNG TY TRÁCH NHIỆM HỮU HẠN USHA MARTIN VIỆT NAM

Pham Phu Qui
General Director
April 19, 2017

Pham Thi Mai
Chief Accountant

INCOME STATEMENT
For the year ended March 31, 2017

FORM B 02 - DN

Currency: VND

ITEMS	Code	Notes	Current year	Prior year
1. Gross sales	**01**	VI.1	**70,274,310,127**	**78,077,357,411**
2. Less deductions	02		-	-
3. Net sales	**10**		**70,274,310,127**	**78,077,357,411**
4. Cost of sales	11	VI.2	62,538,615,947	71,593,022,129
5. Gross profit/(loss)	**20**		**7,735,694,180**	**6,484,335,282**
6. Financial income	21	VI.3	376,838,262	517,640,794
7. Financial expenses	22	VI.4	288,134,119	1,226,939,238
In which: Interest expenses	23		-	-
8. Selling expenses	25	VI.5	101,431,567	200,300,570
9. General and administration expenses	26	VI.6	3,687,066,077	3,688,469,528
10. Profit/(Loss) from operating activities	**30**		**4,035,900,679**	**1,886,266,740**
11. Other income	31		154,075	119,109
12. Other expenses	32		32,246,161	2,329,749
13. Profit/(Loss) from other activities	**40**		**(32,092,086)**	**(2,210,640)**
14. Net profit/(loss) before tax	**50**		**4,003,808,593**	**1,884,056,100**
15. Current corporate income tax expense	51	VI.8	495,505,273	388,943,352
16. Deferred corporate income tax expense	52	VI.9	337,257,895	35,126,491
17. Net profit/(loss) after tax	**60**		**3,171,045,425**	**1,459,986,257**

CÔNG TY TRÁCH NHIỆM HỮU HẠN USHA MARTIN VIỆT NAM

Pham Phu Qui
General Director
April 19, 2017

Pham Thi Mai
Chief Accountant

The accompanying notes are an integral part of these financial statements

CASH FLOW STATEMENT
For the year ended March 31, 2017
(Indirect method)

FORM B 03 - DN

Currency: VND

ITEMS	Code	Notes	Current year	Prior year
I. CASH FLOWS FROM OPERATING ACTIVITIES				
Net profit/(loss) before tax	**01**		**4,003,808,593**	**1,884,056,100**
Adjustments for:				
Depreciation	02	V.5	16,756,845	16,756,188
(Profits), losses of exchange rate differences from revaluation of accounts derived from foreign currencies	04		13,867,503	21,453,418
(Profit), loss from investing activities	05		(115,304,144)	(11,810,927)
Operating profit/(loss) before changes in working capital	**08**		**3,919,128,797**	**1,910,454,779**
(Increase), decrease in accounts receivable	09		679,041,588	4,344,652,901
(Increase), decrease in inventories	10		1,403,091,949	8,294,227,769
Increase, (decrease) in accounts payable	11		8,262,661,278	(11,126,939,727)
(Increase), decrease in prepaid expenses	12		77,036,521	(39,907,051)
Corporate income tax paid	15		(474,904,545)	(281,415,437)
Net cash from operating activities	**20**		**13,866,055,588**	**3,101,073,234**
II. CASH FLOWS FROM INVESTING ACTIVITIES				
Recovery of loans given and disposals of debt instruments of other entities	24		100,000,000	-
Receipts of interest, dividend	27		115,304,144	11,810,927
Net cash from investing activities	**30**		**215,304,144**	**11,810,927**
III. CASH FLOWS FROM FINANCING ACTIVITIES				
Net cash from, (used in) financing activities	**40**		**-**	**-**
Net (decrease), increase in cash and cash equivalents	50		14,081,359,732	3,112,884,161
Cash and cash equivalents at the beginning of the year	60		4,215,176,618	1,102,056,229
Impacts of exchange rate fluctuations	61		(930,549)	236,228
Cash and cash equivalents at the end of the year	**70**	V.1	**18,295,605,801**	**4,215,176,618**

CÔNG TY TRÁCH NHIỆM HỮU HẠN USHA MARTIN VIỆT NAM

Pham Phu Qui
General Director
April 19, 2017

Pham Thi Mai
Chief Accountant

The accompanying notes are an integral part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FORM B 09 - DN

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

I. CORPORATE INFORMATION

1. Form of ownership

Usha Martin Vietnam Company Limited ("the Company") has been incorporated in Vietnam as a wholly foreign-owned enterprise in the form of a limited liability company for duration of 10 years under the investment certificate No. 411043000983 granted by the Ho Chi Minh City People's Committee on February 24, 2009 and the third amended investment certificate dated September 03, 2014.

On February 10, 2012, the People's Committee of Long An Province - the Management Board of Economic Zone granted business registration certificate No. 5014000001 for the Company's branch, the first amendment on March 27, 2012 on establishing the Company's branch at F.2A, Long Hau - Hiep Phuoc Street, Long Hau Industrial Park, Long Hau Commune, Can Giuoc District, Long An Province, Vietnam.

The head office of the Company is located at No. 18A, D2 Street, Ward 25, Binh Thanh District, Ho Chi Minh City, Vietnam.

The owner of the Company is Usha Martin Singapore Pte. Ltd, incorporated in Singapore.

The Company's total number of staffs as at March 31, 2017 is 6 employees (as at March 31, 2016 was 6 employees).

2. Business activities

The business activities of the Company are to implement the right to import goods with the codes of HS 7206, 7207, 7211, 7213 → 7215, 7217, 7227 → 7229, 7312 of Export - Import tariffs and the list of exported, imported goods promulgated by the Ministry of Finance.

II. FISCAL YEAR, CURRENCY IN BOOKKEEPING

1. Fiscal year

The Company's fiscal year is from April 01 to March 31 annually.

2. Currency

Currency officially used in bookkeeping is Vietnamese Dong (VND).

III. APPLYING ACCOUNTING STANDARDS AND SYSTEM

1. Applying accounting system

The Company has applied Vietnamese Enterprise Accounting System in accordance with Circular No. 200/2014/TT-BTC dated December 22, 2014, Circular No. 75/2015/TT-BTC dated May 18, 2015 and Circular No.53/2016/TT-BTC dated March 21, 2016 of the Minister of Finance.

2. Declaration of adopting Accounting Standards and Accounting System

The financial statements have been prepared under the historical cost convention and in accordance with Vietnamese Accounting Standards and Vietnamese Enterprise Accounting System.

2. Declaration of adopting Accounting Standards and Accounting System (continued)

The accompanying financial statements are not intended to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam. The financial statements have been translated from Vietnamese version into English and issued in Vietnam.

IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies have been adopted by the Company in the preparation of these financial statements as follows:

1. Foreign currency transactions

Transactions which are not in VND are translated into VND at the real exchange rates ruling at the date of transactions. The principles for determining the real exchange rates are as follows:

- Real exchange rates when buying or selling foreign currency are exchange rates concluded in contracts of foreign exchange between the Company and commercial banks;
- Real exchange rates when recording capital contribution transactions are buying exchange rates of the commercial banks where the Company opens the account to receive capital from investors at the date of the contribution of capital;
- Real exchange rates when recording receivables are buying exchange rates of commercial banks where the Company assigned customers to make payment;
- Real exchange rates when recording liabilities are selling exchange rates of commercial banks where the Company expects to conduct transactions;
- Real exchange rates for purchases of assets or expenses paid immediately in foreign currency (not through the accounts payable) are buying exchange rates of commercial banks where the Company makes payments.

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are revaluated by real exchange rates at the date of the balance sheet. The real exchange rates are determined as follows:

- For foreign currency deposited in bank: buying exchange rates of the commercial banks where Company opens foreign currency accounts;
- For monetary accounts classified as other assets: buying exchange rate of the commercial bank where the Company regularly conducts transactions;
- For monetary accounts classified as liabilities: selling exchange rate of the commercial bank where the Company regularly conducts transactions.

Foreign exchange differences derived from the above transactions are all disclosed in the Income statement.

2. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash in banks, cash in transit, demand deposits and other short-term investments for a period not exceeding three months that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

3. Receivables

Receivables reflect the amounts which shall be receivable from customers and others, which are presented at net book value as reduced by provision for doubtful debts.

Provisions for doubtful debts of receivables represent the unrecoverable amounts which are estimated for overdue amounts from above six months or when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Increase or decrease of the provisions is recognized in the general and administration expenses of the period.

4. Inventories

Inventories are stated at the historical cost. In case the net realizable value is lower than the historical, inventories are stated at the net realizable value. The cost of inventories should comprise all costs of purchase, costs of conversion and other directly attributable costs incurred in bringing the inventories to their present location and condition. Net realizable value represents the estimated selling price less all estimated costs to completion and costs to make the sale.

Inventories are calculated using the specific identification.

Inventories are accounted for using the perpetual method.

The evaluation of necessary provision for decline in inventory is established as the difference whose the cost of goods is higher than the net realized value as at the balance sheet date. Increase or decrease in the balance of the provision for diminution in inventory is charged into the cost of goods sold in the period.

5. Prepaid expenses

Prepaid expenses comprise short-term or long-term prepaid expenses, reflecting the actual costs incurred but not yet fully charged to the expenses of the period as those costs relate to many bookkeeping periods and are allocated into the expenses over the time in which the economic benefits associated with those costs flow to the enterprise.

Long-term prepaid expenses mainly comprise the expenses of tools and equipment whose costs do not meet the recognition criteria of fixed assets in accordance with Circular No. 45/2013/TT-BTC dated April 25, 2013 of the Ministry of Finance. Long-term prepaid expenses are allocated to the expenses in the period on a straight-line basis.

6. Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of purchased fixed assets comprises its purchase price and any directly attributable costs of bringing the assets to its working condition and location for its intended use. Expenses incurred after initial recognition are only entitled to record to increase the historical costs of tangible fixed assets if it is definite that, by using those assets, future economic benefits will surely be obtained from those expenses. Incurred expenses do not satisfy the above criteria are determined as business and operation expenses in the fiscal year.

In the case of transfer or liquidation of tangible fixed assets, the historical costs and accumulated depreciation are written off while the profit or loss from the transfer or liquidation is recorded into income or expenses in the fiscal year.

6. Tangible fixed assets (continued)

Depreciation is charged so as to write off the cost over their estimated useful lives according to the straight-line method. Their estimated useful lives are shown specifically as follows:

	Years
Motor vehicle	8
Office equipment	5

7. Payables and accrued expenses

Payables and accrued expenses are recognized for amounts which shall be paid in the future related to the goods purchased and the services utilized, irrespective of whether the Company has received the invoices from the suppliers or not.

8. Revenue and income

Sales from selling goods

Sales from selling goods should be recognized when it can be measured reliably and satisfied all the following conditions:

- The Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- Sales are determined reliably. When contracts define that buyers are entitled to return products, goods purchased under specific conditions, the Company shall only record sales if such specific conditions no longer exist and buyers are not entitled to return products, goods (unless the customer is entitled to return the goods under the form of exchange for other goods or services); and
- The economic benefits associated with the transaction will flow to the Company and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

9. Operating leases

Leases other than financial lease are classified as operating leases. Rentals payable under operating leases are charged to income statement on a straight-line basis over the term of the relevant lease.

10. Taxes

Corporate income tax presented in the income statement includes current income tax and deferred income tax.

Current income tax is based on enacted tax rates and the results for the year as adjusted for items, which are deemed non-assessable or disallowed including losses carried forward, if any. Because the application of tax laws and regulations to many types of transactions is susceptible to varying interpretations, amounts reported in the financial statements could be changed at a later date upon final determination by the tax authorities.

10. Taxes (continued)

Deferred income tax is calculated using the balance sheet liability method, on temporary differences arising between the tax bases of assets or liabilities and their carrying amount in the balance sheet. Deferred income tax is calculated at the tax rates that are expected to apply in the period when the asset is realized or liability is settled.

Deferred income tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Other taxes are applied in accordance with the prevailing tax laws of Vietnam.

11. Related parties

Parties are considered as related parties if the party is able to control or impact significantly on the other party in proposing decisions on financial and operation policies. Parties are also considered to be related if they are subject to same control or same significant influences.

In considering the relationship of the parties involved, it is focused on the nature of the relationship other than the legal form.

V. ADDITIONAL DETAILS OF ITEMS STATED IN THE BALANCE SHEET

1. Cash

	Closing balance VND	Opening balance VND
Cash on hand	207,782,453	78,972,270
Cash in bank	18,087,823,348	4,136,204,348
Total	**18,295,605,801**	**4,215,176,618**

2. Short-term trade accounts receivable

	Closing balance VND	Opening balance VND
Related parties	-	-
Third parties	3,621,240,806	3,456,994,426
Nam Cong Engineering Corporation	-	*1,278,163,500*
Duc Nang Trading Co., Ltd	*1,833,040,000*	*1,044,508,226*
Bachy Soletanche Vietnam Co., Ltd	*764,180,340*	-
Viet Prestressed Company Limited	*374,593,560*	*516,344,000*
Others	*649,426,906*	*617,978,700*
Total	**3,621,240,806**	**3,456,994,426**

3. Other receivables

	Closing balance VND	Opening balance VND
Related parties (Notes VII.2)	1,027,862	134,920,855
Usha Martin Singapore Pte. Ltd.	-	*133,892,993*
Usha Martin Limited	*1,027,862*	*1,027,862*
Short term deposits and mortgages	250,000	250,000
Deposits for office and warehouse lease	281,664,856	281,664,856
Undeclared VAT on imported goods	183,317,974	-
Others	15,424,769	10,286,047
Total	**481,685,461**	**427,121,758**
Short term	200,020,605	145,456,902
Long term	281,664,856	281,664,856
Total	**481,685,461**	**427,121,758**

4. Inventories

	Closing balance VND	Opening balance VND
Goods in transit	4,239,812,405	1,668,233,839
Merchandise	6,883,640,864	10,858,311,379
Total	**11,123,453,269**	**12,526,545,218**

5. Tangible fixed assets

	Motor vehicle VND	Office equipment VND	Total VND
COST			
Opening balance	134,049,500	18,949,099	152,998,599
Purchases	-	-	-
Closing balance	134,049,500	18,949,099	152,998,599
DEPRECIATION			
Opening balance	(79,591,236)	(18,949,099)	(98,540,335)
Charge for the year	(16,756,845)	-	(16,756,845)
Closing balance	(96,348,081)	(18,949,099)	(115,297,180)
CARRYING AMOUNT			
Opening balance	**54,458,264**	**-**	**54,458,264**
Closing balance	**37,701,419**	**-**	**37,701,419**

- Cost of intangible fixed assets wholly amortized at year-end but still in use: VND 18,949,099.

6. Long-term prepaid expenses

	Current year VND	Prior year VND
Opening balance	85,204,027	75,890,386
Additions	24,550,000	48,633,636
Allocation	(65,672,762)	(39,319,995)
Closing balance	**44,081,265**	**85,204,027**

Long-term prepaid expenses comprise the items as follows:

	Closing balance VND	Opening balance VND
Repairing expense	-	15,345,000
Tools and supplies for operation activities	44,081,265	69,859,027
Total	**44,081,265**	**85,204,027**

7. Deferred income tax assets

The components of the Company's deferred tax assets were as follows:

	Closing balance VND	Opening balance VND
Unpaid management fee	-	334,206,400
Accrued expenses	3,780,000	6,621,318
Loss/(Profit) on unrealized foreign exchange difference	(364,341)	(154,164)
Total	**3,415,659**	**340,673,554**

8. Short-term trade accounts payable

	Closing balance VND	Opening balance VND
Related parties (Notes VII.2)	20,143,778,008	11,238,403,464
Usha Martin Singapore Pte. Ltd.	*11,336,289,430*	*7,565,139,461*
Usha Martin Limited	*4,954,924,955*	*2,172,695,760*
Usha Siam Steel Industries Public Company Limited	*3,852,563,623*	*1,500,568,243*
Third parties	18,372,250	18,372,250
Total	**20,162,150,258**	**11,256,775,714**

9. Accrued expenses

	Closing balance VND	Opening balance VND
Appropriation of audit fee	18,900,000	18,900,000
Appropriation of accounting fee	-	58,779,000
Total	**18,900,000**	**77,679,000**

10. Advances from customers

	Closing balance VND	Opening balance VND
Related parties	-	-
Third parties	1,669,279,885	1,042,037,569
Tecmach Supplies Co., Pte Ltd	*514,310,401*	-
Nguyen Van Dac Business Household	*375,509,860*	-
Bauer Vietnam Co. Ltd	*235,200,000*	-
Cai Mep International Terminal Co., Ltd.	*196,187,500*	-
Tecmach Ltd	-	*403,699,985*
Vietnam Steel Structures And Lifting Equipments Joint Stock Company	-	*249,704,664*
Bachy Soletanche Vietnam Co., Ltd	-	*230,273,340*
Others	*348,072,124*	*158,359,580*
Total	**1,669,279,885**	**1,042,037,569**

11. Taxes and amounts payable to, receivable from State budget

	Opening balance VND	Payable in year VND	Already paid, withheld in year VND	Closing balance VND
Value added tax	-	5,406,920,752	(5,304,773,856)	102,146,896
Value added tax on imported goods	-	4,223,117,761	(4,039,799,787)	183,317,974
Import, export duty	-	1,248,722,415	(1,161,428,142)	87,294,273
Corporate income tax	295,701,391	495,505,273	(474,904,545)	316,302,119
Personal income tax	46,531,171	85,330,759	(115,944,193)	15,917,737
Others	-	34,952,368	(34,952,368)	-
Total	**342,232,562**	**11,494,549,328**	**(11,131,802,891)**	**704,978,999**

	Closing balance VND	Opening balance VND
Taxes and amounts receivable from State budget	-	-
Taxes and amounts payable to State budget	704,850,530	342,232,562

12. Other short-term payables

	Closing balance VND	Opening balance VND
Related parties (Notes VII.2)	52,846,411	1,590,479,495
Usha Martin Singapore Pte. Ltd.	-	*1,548,119,260*
Usha Martin Limited	*52,846,411*	*42,360,235*
Others	1,725,768	1,725,768
Total	**54,572,179**	**1,592,205,263**

13. Owner's capital

According to the Company's investment certificate, the Company's investment and charter capital are USD 1,000,000 and USD 300,000 respectively. The paid-up capital by the owner as at March 31, 2017 is as follows:

	Per Certificate of Investment	Contributed capital		
		Closing balance		Opening balance
	USD	USD	Equivalent to VND	Equivalent to VND
Usha Martin Singapore Pte. Ltd.	300,000	100,000	1,748,700,000	1,748,700,000

14. Retained earnings

	Current year VND	Prior year VND
Retained earnings brought forward	6,077,556,934	4,617,570,677
Net profit for the year	3,171,045,425	1,459,986,257
Total	**9,248,602,359**	**6,077,556,934**

15. Off balance sheet items

	Closing balance	Opening balance
Foreign currencies		
- USD	28,624.38	2,697.35
- SGD	251.99	251.99

VI. ADDITIONAL DETAILS OF ITEMS STATED IN INCOME STATEMENT

1. Gross sales

	Current year VND	Prior year VND
Sales on merchandise	70,274,310,127	78,077,357,411
Total	**70,274,310,127**	**78,077,357,411**

2. Cost of sales

	Current year VND	Prior year VND
Opening stock	12,526,545,218	20,820,772,987
Value of imported goods in the year	59,367,756,865	61,610,549,016
Import duty on imported goods	1,248,722,415	666,998,416
Transportation expenses	484,271,792	952,222,548
Warehouse Expenses	29,730,926	37,952,834
Inspection fee for steel wire rope quality	5,042,000	31,071,546
Less: closing stock	(11,123,453,269)	(12,526,545,218)
Total	**62,538,615,947**	**71,593,022,129**

3. Financial income

	Current year VND	Prior year VND
Interest on deposits, loans given	115,304,144	11,810,927
Gain on exchange rates acquired in period	258,139,518	468,081,537
Gain on exchange rates revaluated at fiscal year-end	3,394,600	37,748,330
Total	**376,838,262**	**517,640,794**

4. Financial expenses

	Current year VND	Prior year VND
Loss on exchange rates incurred in period	270,872,016	1,167,737,490
Loss on exchange rates revaluated at fiscal year-end	17,262,103	59,201,748
Total	**288,134,119**	**1,226,939,238**

5. Selling expenses

	Current year VND	Prior year VND
Transportation fee	88,924,545	194,446,025
Rental fee for crane unplugging rope	-	5,854,545
Maritime insurance premium	5,552,022	-
Other cash expenses	6,955,000	-
Total	**101,431,567**	**200,300,570**

6. General and administration expenses

	Current year VND	Prior year VND
Expense for leasing office	729,096,000	680,622,000
Management staff wage expense	1,020,727,000	1,205,573,900
Wage expense for the Board of Management	841,368,000	844,207,000
Accounting service fee	-	117,558,000
Audit service fee	51,900,000	50,400,000
Transportation fee	52,995,156	46,838,091
Other cash expenses	990,979,921	743,270,537
Total	**3,687,066,077**	**3,688,469,528**

7. Costs classified by factors

	Current year VND	Prior year VND
Goods costs	62,019,571,229	70,571,775,201
Labour costs	1,862,095,000	2,049,780,900
Fixed assets depreciation expense	16,756,845	16,756,188
Outside services required	1,425,203,574	2,112,909,401
Other cash expenses	990,979,921	730,570,537
Total	**66,314,606,569**	**75,481,792,227**

8. Current corporate income tax expense

The Company is obliged to pay the corporate income tax as follows: The Company is obliged to pay the corporate income tax at the standard rate (the rate for 2016 is 20%) on its taxable income.

	Current year VND	Prior year VND
Net profit before tax	4,003,808,593	1,884,056,100
Effect of:		
Non-deductible tax expenses	52,737,731	41,354,072
Temporary differences	(1,579,019,957)	(157,485,847)
Taxable income	2,477,526,367	1,767,924,325
Utilisation of tax losses	-	-
Assessable income	**2,477,526,367**	**1,767,924,325**
Current corporate income tax expense	**495,505,273**	**388,943,352**

Corporate income tax expense for the year ended March 31, 2017 is calculated on the estimated assessable income. Corporate income tax expense will be determined again by the tax authority through their tax reviews.

8. Current corporate income tax expense (continued)

As the application of tax laws and regulations for different transactions, including the determination of arm's length prices in business transactions between related parties, may be understood in various ways, the corporate income tax expense recognized above may be adjusted in accordance with the conclusive decision of the tax authority.

9. Deferred corporate income tax expense

	Current year VND	Prior year VND
Current deferred corporate income tax expenses occurred on taxable temporary differences	337,257,895	35,126,491
Total	**337,257,895**	**35,126,491**

VII. OTHER INFORMATION

1. Operating lease commitment

The Company entered into the warehouse lease contract No. 4371-011/HD-ANC dated November 15, 2011, the contract appendixes dated December 01, 2011 and dated May 01, 2016 with A.N.C Commercial Service Merchandise Co., Ltd. and the office lease contract No. 19/11/2013/HDCT dated December 10, 2013 with GIC Vietnam DEIN Corp. under operating lease agreements. As at March 31, 2017, future lease amounts due under operating leases were as follows:

	Closing balance VND	Opening balance VND
On demand or within one year	582,954,000	583,980,000
In the second to the fifth year inclusive	147,033,000	343,077,000
After the fifth year	-	-
Total	**729,987,000**	**927,057,000**

2. Related party transactions and balance

List of related parties:

Related parties	Relationship
Usha Martin Singapore Pte. Ltd.	Owner
Usha Martin Limited	Intra-group
Usha Siam Steel Industries Public Company Limited	Intra-group
Mr. Pham Phu Qui	General Director

2. Related party transactions and balance (continued)

During the year ended March 31, 2017, the Company had entered into the following significant transactions, receivables and payables with its related parties as shown in the table below:

Usha Martin Singapore Pte. Ltd.:

	Current year		Prior year	
	USD	VND	USD	VND
Import of goods	1,598,888.06	36,027,112,221	1,669,215.92	37,049,718,964
Quantity (Tonnage)		*1,296.2030*		*1,216.3570*
	1,598,888.06	**36,027,112,221**	**1,669,215.92**	**37,049,718,964**

Usha Martin Limited:

	Current year		Prior year	
	USD	VND	USD	VND
Import of goods	692,207.44	15,597,864,531	811,412.12	17,990,805,086
Quantity (Tonnage)		*591.0748*		*964.459*
Insurance fee	422.00	9,613,160	388.86	8,702,687
Penalty due to late payment	96.00	2,186,880	96.00	2,161,920
	692,725.44	**15,609,664,571**	**811,896.98**	**18,001,669,693**

Usha Siam Steel Industries Public Company Limited:

	Current year		Prior year	
	USD	VND	USD	VND
Import of goods	342,143.50	7,742,780,113	294,806.74	6,570,024,966
Quantity (Tonnage)		*284.9160*		*274.01*
	342,143.50	**7,742,780,113**	**294,806.74**	**6,570,024,966**

Remuneration of key management:

	Current year	Prior year
	VND	VND
Gross salaries and other benefits	841,368,000	844,207,000

Other receivables:

	Closing balance		Opening balance	
	USD	VND	USD	VND
Usha Martin	-	-	-	121,000,000
Singapore Pte. Ltd.	-	-	579.20	12,892,993
Usha Martin Limited	49.35	1,027,862	49.35	1,027,862
Mr. Pham Phu Qui - General Director	-	-	-	100,000,000
	49.35	**1,027,862**	**628.55**	**234,920,855**

2. Related party transactions and balance (continued)

Trade accounts payable:

	Closing balance		Opening balance	
	USD	VND	USD	VND
Usha Martin Singapore Pte. Ltd.	497,642.15	11,336,289,430	338,939.94	7,565,139,461
Usha Martin Limited	217,512.07	4,954,924,955	97,343.00	2,172,695,760
Usha Siam Steel Industries Public Company Limited	169,120.44	3,852,563,623	67,229.76	1,500,568,243
	884,274.66	**20,143,778,008**	**503,512.70**	**11,238,403,464**

Other payables:

	Closing balance		Opening balance	
	USD	VND	USD	VND
Usha Martin Singapore Pte. Ltd	-	-	-	46,000,000
Usha Martin Limited	-	-	67,299.25	1,502,119,260
	2,319.86	52,846,411	1,897.86	42,360,235
	2,319.86	**52,846,411**	**69,197.11**	**1,590,479,495**

VIII. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Board of Members and authorized for issue on April 19, 2017.

CÔNG TY TRÁCH NHIỆM HỮU HẠN USHA MARTIN VIỆT NAM

Pham Phu Qui
General Director
April 19, 2017

Pham Thi Mai
Chief Accountant

SBA Stone Forest CPA Co Ltd
上海中新石林会计师事务所有限公司

USHA MARTIN CHINA CO. LIMITED
(Incorporated in the People's Republic of China with limited liability)

INDEPENDENT AUDITOR'S REPORT
AND FINANCIAL STATEMENTS

31 March 2017

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USHA MARTIN CHINA CO., LIMITED
(Incorporated in the People's Republic of China with limited liability)

INDEPENDENT AUDITOR'S REPORT AND FINANCIAL STATEMENTS

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USHA MARTIN CHINA CO. LIMITED.

STATEMENT BY DIRECTORS

In the opinion of the directors,

(a) the accompanying financial statements together with the notes thereto are drawn up so as to give a true and fair view of the state of affairs of the Company at 31 March 2017 and of the results of the business, changes in equity and cash flows of the Company for the financial year from 1 April 2016 to 31 March 2017, and

(b) at the date of this statement there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

On behalf of the directors,

Director

Director

Shanghai, PRC
25 April 2017

SBA Stone Forest CPA Co Ltd
上海中新石林会计师事务所有限公司

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COMPONENT AUDITOR'S REPORT

Foo Kon Tan LLP
47 Hill Street #05-01
Singapore Chinese Chamber of Commerce & Industry Building
Singapore 179365
Attention: Toh Kim Teck / Amanda Wong

Dear Sirs,

Name of Component: Usha Martin China Co. Limited
Financial Statements For Year Ended 31 March 2017

In accordance with the Group Audit Instructions dated 6 April 2017, we have audited, for the purpose of your audit of the group financial statements of Usha Martin Singapore Pte Ltd (the "Company") and its subsidiaries (the "Group"), the accompanying financial statements expressed in Chinese Renminbi of Usha Martin China Co. Ltd (the "Component") as of 31 March 2017 and for the year then ended. These financial statements have been prepared solely to enable Usha Martin Singapore Pte Ltd to prepare group financial statements and not to report on the component as a separate entity.

Management's responsibility for the financial statements
Management is responsible for the preparation and presentation of the financial statements in accordance with International Financial Reporting Standards and the Group's significant accounting policies and for such internal control as management determines as necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility
Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. As requested, our audit procedures also included the procedures identified in the aforementioned Group Audit Instructions. International Standards on Auditing require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. In accordance with the Group Audit Instructions, we planned and performed our audit based on the component materiality specified in your instructions.

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An audit involves performing procedures to obtain audit evidence about the amount and disclosures in the financial statements. The procedures selected depend on our 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, we consider internal control relevant to the component's preparation and 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 component's internal control. An audit also includes the evaluation of 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 opinion in the context of the audit of the group financial statements. The conclusions reached in forming our opinion are based on the materiality specified.

Opinion

In our opinion, the accompanying financial statements of Usha Martin China Co. Ltd as of 31 March 2017 and for the year then ended have been prepared, in all material respects, in accordance with International Financial Reporting Standards and the Group's significant accounting policies.

Restriction on Use and Distribution

The financial statements have been prepared for purposes of providing information to Usha Martin Singapore Pte Ltd to enable it to prepare the group financial statements. As a result, the financial statements are not a complete set of financial statements of Usha Martin China Co. Ltd in accordance with International Financial Reporting Standards and are not intended to present fairly, in all material respects the financial position of Usha Martin China Co. Ltd as of 31 March 2017 and of its financial performance, and its cash flow for the year then ended in accordance with International Financial Reporting Standards. The financial statements may, therefore, not be suitable for another purpose.

This report is intended solely for the information and use of Foo Kon Tan LLP in conjunction with the audit of the group financial statements of Usha Martin Singapore Pte Ltd and its subsidiaries and should not be used by or distributed to, anyone for any other purpose.

SBASF CPA

SBA Stone Forest CPA Co Ltd
Shanghai, China
25 April 2017

USHA MARTIN CHINA CO., LIMITED.

BALANCE SHEET
31 March 2017

	Note	2017.3.31 ¥	2016.3.31 ¥
ASSETS			
Non-current assets			
Property, plant and equipment	4	588,968	1,064,332
Intangible assets	5	54,107	62,510
Deferred tax assets	6	-	-
		643,075	1,126,842
Current assets			
Inventories	7	13,710,522	20,279,469
Trade and other receivables	8	12,676,365	18,189,540
Cash and cash equivalents	17	792,319	1,313,072
		27,179,206	39,782,081
Total assets		27,822,281	40,908,922
LIABILITIES			
Current liabilities			
Trade and other payables	9	55,166,984	58,626,860
Total liabilities		55,166,984	58,626,860
NET ASSETS		(27,344,703)	(17,717,937)
EQUITY			
Share capital	10	3,080,350	3,080,350
Accumulated losses		(30,425,053)	(20,798,287)
Total equity		(27,344,703)	(17,717,937)

The accompanying notes form part of these financial statements

USHA MARTIN CHINA CO., LIMITED.

STATEMENT OF COMPREHENSIVE INCOME
Year Ended 31 March 2017

	Note	Year ended 31 March 2017 ¥	Year ended 31 March 2016 ¥
Revenue	11	17,808,691	28,772,177
Cost of sales		(17,368,106)	(27,305,991)
Gross profit		440,585	1,466,186
Other operating income	12	189,900	445,751
Distribution expenses		(1,800,102)	(3,291,650)
Administrative expenses	13	(3,636,721)	(5,358,506)
Other operating expenses	4	(4,820,429)	(2,448,244)
Loss before income tax	15	(9,626,767)	(9,186,463)
Income tax benefit	16	-	(1,093,619)
Net loss, representing total comprehensive income for the year		(9,626,767)	(10,280,082)

The accompanying notes form part of these financial statements

USHA MARTIN CHINA CO., LIMITED.

STATEMENT OF CHANGES IN EQUITY
The Year Ended 31 March 2017

	Share capital ¥	Accumulated losses ¥	Total ¥
Balance at 31 March 2015	3,080,350	(10,518,204)	(7,437,854)
Capital injection		-	
Net loss, represented total comprehensive income for the year	-	(10,280,082)	(10,280,082)
Balance at 31 March 2016	3,080,350	(20,798,286)	(17,717,936)
Net loss, represented total comprehensive income for the year	-	(9,626,767)	(9,626,767)
Balance at 31 March 2017	3,080,350	(30,425,053)	(27,344,703)

The accompanying notes form part of these financial statements

USHA MARTIN CHINA CO., LIMITED.

STATEMENT OF CASH FLOWS
The Year Ended 31 March 2017

	Note	Year ended 31 March 2017 ¥	Year ended 31 March 2016 ¥
Cash flows from operating activities			
Loss before income tax		(9,626,767)	(9,186,463)
Adjustments for:			
Depreciation of property, plant and equipment		275,899	333,342
Amortization of intangible assets		8,403	8,403
Property, plant and equipment written off		(5,749)	-
Impairment provision for inventory and receivables		1,257,676	70,365
Interest income		(1,385)	(1,233)
Operating loss before working capital changes		(8,091,923)	(8,775,586)
Changes in working capital			
Inventories		6,568,947	3,744,780
Trade and other receivables		5,513,175	(826,386)
Trade and other payables		(4,416,847)	6,221,474
Cash generated from operations		(426,648)	364,282
Interest received		1,385	1,233
Net cash generated from operating activities		(425,263)	365,515
Cash flows from investing activities			
Purchase of property, plant and equipment and intangible asset		(95,490)	(27,154)
Net cash used in investing activities		(95,490)	(27,154)
Net changes in cash and cash equivalents		(520,753)	338,361
Cash and cash equivalents at beginning of the year		1,313,072	974,711
Cash and cash equivalents at end of year	17	792,319	1,313,072

The accompanying notes form part of these financial statements

USHA MARTIN CHINA CO., LIMITED.

NOTES TO THE FINANCIAL STATEMENTS
31 March 2017

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

1. GENERAL INFORMATION

(a) CORPORATE INFORMATION

The Company, which is incorporated and domiciled in Shanghai of the People's Republic of China, is a wholly-owned subsidiary of Usha Martin Singapore Pte Ltd., incorporated in Singapore.

The registered office and principal place of business of the Company is located at No.461 Hua Jin Road, China (Shanghai) Pilot Free Trade Zone, Shanghai, P.R.China, 200131.

The principal activities of the Company are wholesale, import and export, commission agency (excluding auction) and other related supporting service (including aftersales service and consulting service) of industrial cables and related accessories; international trade, entrepot trade, trade and trade agency between companies within the bonded zone; trade consulting service; commercial simple processing and storage (excluding dangerous goods) within the bonded zone.

The financial information for the year ended 31 March 2017 were authorised for issue by the Board of Directors on 25 April 2017.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) BASIS OF PREPARATION

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and Interpretations of IFRS ("INT IFRS").

The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies set out below.

The financial statements are presented in Chinese renminbi, which is the functional currency of the Company.

The preparation of financial statements in conformity with IFRS requires management to exercise its judgement in the process of applying the Company's accounting policies. It also requires the use of accounting estimates and assumptions. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates. Areas where estimates and assumptions are significant or critical to the financial statements are disclosed in Note 3.

In the current financial period, the Company has adopted all the new and revised IFRSs and Interpretations of IFRS ("INT IFRS") that are relevant to its operations and effective for the period beginning on 1 April 2016. The adoption of these new/revised IFRSs and INT IFRSs does not have any effect on the financial performance or position of the Company for the current or prior years.

(b) FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised on the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period to the net carrying amount of the financial asset or financial liability.

Financial assets

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

Loans and receivables

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables.

Loans and receivables are initially measured at fair value plus any directly attributable transaction costs and are subsequently measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest method, except for short-term receivables when the recognition of interest would be immaterial. Loans and receivables are presented as "trade and other receivables" and "cash and cash equivalents" on the balance sheet.

Impairment of financial assets

The Company assesses at each balance sheet date whether there is any objective evidence that a financial asset is impaired.

Assets carried at amortised cost
For financial assets carried at amortised cost, the Company first assesses individually whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Company determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The impairment loss is recognised in the profit or loss.

When the asset becomes uncollectible, the carrying amount of impaired financial assets is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying value of the financial asset.

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Company considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Derecognition of financial assets
The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities
Financial liabilities are classified as either financial liabilities "at fair value through profit or loss" or other financial liabilities.

Other financial liabilities
Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest method, with interest expense recognised on an effective yield basis.

Interest-bearing bank borrowings are initially measured at fair value, and subsequently measured at amortised cost, using the effective interest method.

Derecognition of financial liabilities
The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

(c) PROPERTY, PLANT AND EQUIPMENT

All items of property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

Depreciation of an asset begins when it is available for use and is computed on a straight-line basis to allocate the depreciable amounts of the assets over their estimated useful lives as follows:

	Number of years	Residual value (%)
Machinery	10	10
Office equipment, furniture and fittings	5	10
Electronic equipment	3	10
Renovation	3	10

Fully depreciated property, plant and equipment are retained in the financial statements until they are no longer in use.

The residual values, useful lives and depreciation methods of property, plant and equipment are reviewed, and adjusted as appropriate, at each balance sheet date to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in profit or loss in the financial year the asset is derecognised.

(d) INTANGIBLE ASSETS

Intangible assets are stated in the balance sheet at cost less accumulated amortisation and impairment loss. The cost of the intangible assets is amortised on a straight line basis over their estimated useful lives. The computer software under intangible assets is amortised over 10 years.

(e) INVENTORIES

Inventories are stated at the lower of cost and net realizable value. Cost is determined primarily on specific identification basis and includes all costs in bringing the inventories to their present location and condition. Cost of finished goods comprised cost of direct materials, labour and an appropriate proportion of production overheads based on normal level of activity.

When necessary, write-down is made for deteriorated, damaged, obsolete, slow-moving inventories to adjust the carrying value of inventories to the lower of cost or net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated cost necessary to make the sale.

(f) IMPAIRMENT OF NON-FINANCIAL ASSETS

The Company's non-financial assets are reviewed for impairment at each balance sheet date and whenever there is any indication that these assets may be impaired. If any such indication exists, the recoverable amount of the asset is estimated to determine the amount of the impairment loss (if any).

Recoverable amount of an asset is the higher of its fair value less cost to sell and value in use. For the purpose of impairment testing, recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the cash-generating-unit (CGU) to which the asset belongs.

If the recoverable amount of the asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount and the impairment loss is recognised in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset or CGU is increased to the revised estimate of its recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset or CGU in prior years. A reversal of impairment loss is recognised in profit or loss.

(g) INCOME TAX

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the financial year. Taxable profit differs from profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The Company's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date.

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items credited or debited outside profit or loss (either in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss (either in other comprehensive income or directly in equity, respectively).

(h) FOREIGN CURRENCY TRANSLATIONS

The financial statements of the Company are measured and presented in the currency of the primary economic environment in which the Company operates (its functional currency).

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into Chinese Renminbi at the rates of exchange ruling at that date. Transactions in foreign currencies during the financial year are translated at rates of exchange ruling at the dates of the first day of current month. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as the date of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Exchange differences arising on the settlement of monetary items or on translating monetary items at the balance sheet date are recognised in profit or loss.

(i) OPERATING LEASES

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Company as lessee

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

(j) REVENUE RECOGNITION

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is made. Revenue is measured at the fair value of consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

Sales of goods

Revenue from the sale of goods is recognised when all the following conditions are satisfied:

- the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the entity; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

(k) **RETIREMENT BENEFIT COSTS**

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due. Payments made to state-managed retirement benefit schemes are dealt with as payments to defined contribution plans where the Company's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

(l) **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 the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(m) **CASH AND CASH EQUIVALENTS**

Cash and cash equivalents comprise cash on hand and bank balances.

(n) **RELATED PARTIES**

A related party is defined as follows:

(a) A person or a close member of that person's family is related to the Company if that person:

(i) Has control or joint control over the Company;

(ii) Has significant influence over the Company; or

(iii) Is a member of the key management personnel of the Company or of a parent of the Company.

(b) An entity is related to the Company if any of the following conditions applies:

(i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

(iii) Both entities are joint ventures of the same third party.

(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

(v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;

(vi) The entity is controlled or jointly controlled by a person identified in (a);

(vii) A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

(o) SHARE CAPITAL

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in Note 2, the directors are required to make judgements, 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.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(i) Critical judgements in applying the Company's accounting policies

The management is of the opinion that any instances of application of judgements are not expected to have a significant effect on the amounts recognised in the financial statements.

(ii) Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, 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:

a) Allowance for inventory obsolescence

At the balance sheet date, the Company reviews the carrying value of their inventories so that they are stated at the lower of cost and net realisable value. In assessing net realisable value, the management of the Company carries out a review based on an ageing basis and consider the fluctuations of prices or costs, of any inventory on hand that may not be realised at the end of the financial year.

As at 31 March 2017, the Company's inventories amounted to RMB 13,710,522 (2016: RMB 20,279,469) net of allowance of RMB 464,146 (2016: RMB 70,365) (Note 7).

b) Allowance for impairment of trade receivables

The policy for allowance for impairment of trade receivables of the Company is based on the evaluation of collectability of receivables, ageing analysis of accounts and on management's estimate. A considerable amount of judgement is required in assessing the ultimate realisation of these receivables, including the current creditworthiness and the past collection history of each customer. If the financial conditions of the customers were to deteriorate and result in an impairment of their ability to make payments, additional allowance may be required.

As at 31 March 2017, the Company's trade receivables amounted to RMB11,907,688 (2016: RMB16,926,714) net of allowance for impairment of RMB 863,895 (2016: nil) (Note 8).

USHA MARTING CHINA CO., LIMITED.

NOTES TO THE FINANCIAL STATEMENTS
31 March 2017

4. PROPERTY, PLANT AND EQUIPMENT

31 March 2017

	Machinery	Office equipment, furniture and fittings	Electronic equipment	Renovation	Total
	¥	¥	¥	¥	¥
Cost					
Balance at 1 April 2016	868,225	340,818	145,926	456,900	1,811,869
Additions	-	-	3,990	91,500	95,490
Written off	(383,285)	-	-	(456,900)	(840,185)
Balance at 31 March 2017	484,940	340,818	149,916	91,500	1,067,174
Accumulated depreciation					
Balance at 1 April 2016	144,956	140,633	88,518	373,430	747,537
Charge for the year	69,516	61,347	33,608	111,428	275,899
Written off	(88,330)	-	-	(456,900)	(545,230)
Balance at 31 March 2017	126,142	201,980	122,126	27,958	478,206
Carrying amount					
Balance at 31 March 2017	358,798	138,838	27,790	63,542	588,968

USHA MARTING CHINA CO., LIMITED.

NOTES TO THE FINANCIAL STATEMENTS
31 March 2017

4. PROPERTY, PLANT AND EQUIPMENT

31 March 2016

	Machinery ¥	Office equipment, furniture and fittings ¥	Electronic equipment ¥	Renovation ¥	Total ¥
Cost					
Balance at 1 April 2015	857,028	338,348	132,439	456,900	1,784,715
Additions	11,197	2,470	13,487	-	27,154
Balance at 31 March 2016	868,225	340,818	145,926	456,900	1,811,869
Accumulated depreciation					
Balance at 1 April 2015	67,655	79,471	45,939	221,130	414,195
Charge for the year	77,301	61,162	42,579	152,300	333,342
Balance at 31 March 2016	144,956	140,633	88,518	373,430	747,537
Carrying amount					
Balance at 31 March 2016	723,269	200,185	57,408	83,470	1,064,332

USHA MARTING CHINA CO., LIMITED.

NOTES TO THE FINANCIAL STATEMENTS
31 March 2017

5. INTANGIBLE ASSETS

	Software	
	2017.03.31	2016.03.31
	¥	¥
Cost		
Balance at beginning	84,033	84,033
Additions		
Balance at end	84,033	84,033
Amortisation		
Balance at beginning	21,523	13,120
Charge for the year	8,403	8,403
Balance at beginning	29,926	21,523
Carrying amount		
Balance at end	54,107	62,510

6. DEFERRED TAX ASSET

	2017.03.31	2016.03.31
	¥	¥
Balance at beginning	-	1,093,619
Origination and reversal of temporary differences (Note 16)	-	(1,093,619)
Balance at end	-	-

7. INVENTORIES

	2017.03.31	2016.03.31
	¥	¥
Merchandised goods	13,710,522	20,279,469

As at 31 March 2017, the Company has made an allowance of RMB 464,146 (2016: RMB 70,365).

USHA MARTIN CHINA CO., LIMITED.

NOTES TO THE FINANCIAL STATEMENTS
31 March 2017

8. TRADE AND OTHER RECEIVABLES

	2017.03.31 ¥	2016.03.31 ¥
Trade receivables		
- third parties	12,771,583	16,926,714
Less: Allowance for impairment	(863,894)	-
	11,907,689	16,926,714
Other receivables		
- deposits	255,000	485,684
- prepaid expenses	25,068	298,976
- advance to suppliers	31,203	27,390
- advance to duty	139	8,516
- VAT recoverable	457,266	442,260
	768,676	1,262,825
	12,676,365	18,189,540

Trade and other receivables are denominated in the following currencies:

	2017.03.31 ¥	2016.03.31 ¥
Chinese renminbi	7,888,903	8,460,775
United States dollar	4,223,315	7,643,191
Euro	564,147	2,085,574
	12,676,365	18,189,540

USHA MARTIN CHINA CO., LIMITED.

NOTES TO THE FINANCIAL STATEMENTS
31 March 2017

9. TRADE AND OTHER PAYABLES

	2017.03.31 ¥	2016.03.31 ¥
Trade payables		
- third parties	370,516	1,259,774
- immediate holding company	53,476,687	56,655,657
	53,847,203	57,915,431
Other payables		
- third parties	558,636	-
- accrued operating expenses	460,948	392,660
- Others	300,197	318,769
	55,166,984	58,626,860

Trade and other payables are denominated in the following currencies:

	2017.03.31 ¥	2016.03.31 ¥
Chinese renminbi	1,131,661	1,282,079
United States dollar	54,035,323	56,680,288
Euro	-	664,493
	55,166,984	58,626,860

USHA MARTIN CHINA CO., LIMITED.

NOTES TO THE FINANCIAL STATEMENTS
31 March 2017

10. SHARE CAPITAL

	2017.03.31 ¥	2016.03.31 ¥
Paid-up capital	3,080,350	3,080,350
Paid-up capital in registered currency US$	US$500,000	US$500,000

11. REVENUE

	Year ended 31 March 2017 ¥	Year ended 31 March 2016 ¥
Sales of goods	17,808,691	28,772,177

12. OTHER OPERATING INCOME

	Year ended 31 March 2017 ¥	Year ended 31 March 2016 ¥
Interest income on bank deposits	1,385	1,233
Compensation from suppliers	115,491	383,249
Subsidies	65,400	-
Others	7,624	61,269
	189,900	445,751

USHA MARTIN CHINA CO., LIMITED.

NOTES TO THE FINANCIAL STATEMENTS
31 March 2017

13. EMPLOYEE BENEFITS EXPENSES

	Year ended 31 March 2017 ¥	Year ended 31 March 2016 ¥
Salaries, wages and related costs	2,435,905	3,548,869
Contribution to defined benefit plans	545,212	958,294
	2,981,117	4,507,163

14. OTHER OPERATING EXPENSES

	Year ended 31 March 2017 ¥	Year ended 31 March 2016 ¥
Loss on foreign exchange, net	3,065,110	2,061,804
Written off of bad debt	863,895	-
Compensation to customers	425,740	386,440
Compensation to suppliers	465,684	-
	4,820,429	2,448,244

15. LOSS BEFORE INCOME TAX

This is stated after charging:

	Year ended 31 March 2017 ¥	Year ended 31 March 2016 ¥
Storage expenses	1,121,585	1,817,249
Consultation and professional fees	471,797	1,397,135
Freight charges	464,754	725,737
Travelling expenses	500,133	851,075
Entertainment	97,043	227,962
Rental and property management expenses	717,011	64,961
Cost of inventories recognised as an expense	14,788,792	24,230,211

USHA MARTIN CHINA CO., LIMITED.

NOTES TO THE FINANCIAL STATEMENTS
31 March 2017

16. INCOME TAX EXPENSE

There is no income tax expense as the Company has no taxable income for the current financial period.

	Year ended 31 March 2017 ¥	Year ended 31 March 2016 ¥
Income tax expenses		
- deferred tax changes (Note6)	-	1,093,619
	-	1,093,619
Reconciliation of effective tax rate		
Loss before income tax	(9,626,767)	(9,186,463)
Income tax at statutory rate of 25% (2016 : 25%)	(2,406,692)	(2,296,616)
Unrecognised deferred tax assets	2,406,692	3,390,235
	-	1,093,619

17. CASH AND CASH EQUIVALENTS

	2017.03.31 ¥	2016.03.31 ¥
Cash on hand	4,482	9,991
Cash at banks	787,837	1,303,081
	792,319	1,313,072

Cash and cash equivalents are denominated in the following currencies:

	2017.03.31 ¥	2016.03.31 ¥
Chinese renminbi	97,693	105,724
United States dollar	688,944	739,903
Euro	5,682	467,445
	792,319	1,313,072

USHA MARTIN CHINA CO., LIMITED.

NOTES TO THE FINANCIAL STATEMENTS
31 March 2017

18. RELATED PARTY TRANSACTIONS

In addition to the related party information disclosed elsewhere in the financial statements, the following are the significant transactions between the Company and related parties that took place at terms agreed between the parties during the financial period/year:

	Year ended 31 March 2017 ¥	Year ended 31 March 2016 ¥
(a) Sales of goods		
Usha Martin Australia Pty Ltd	232,391	-
Usha Martin Singapore Pte. Limited	79,355	399,130
(b) Purchase of goods		
Usha Siam Steel Public Industries Company Limited	-	(41,949)
Usha Martin Australia Pty Ltd	-	-
Usha Martin Singapore Pte. Limited	7,484,539	16,249,439
(c) Purchase of assets		
Usha Martin Singapore Pte. Limited (machinery rental)	523,064	-
(d) Sales of assets		
Usha Martin Singapore Pte. Limited (machinery rental)	312,208	-
(e) Other related party transaction		
Usha Martin Singapore Pte.Limited-consulting fee		
Usha Martin Singapore Pte. Limited	-	322,858
Usha Martin Singapore Pte.Limited-Rental of machine	-	494,961
Usha Martin Limited	13,911	12,197
(f) Compensation of key management personnel		
Short-term benefits paid to directors		
- salaries and related costs	639,200	683,200

USHA MARTIN CHINA CO., LIMITED.

NOTES TO THE FINANCIAL STATEMENTS
31 March 2017

19. OPERATING LEASE ARRANGEMENTS

The Company as lessee

	Year ended 31 March 2017 ¥	Year ended 31 March 2016 ¥
Minimum lease payment under operating lease recognised as an expense in the year/period	1,296,029	2,672,245

The above operating leases do not contain any escalation clauses and do not provide for contingent rents.

At the balance sheet date, the Company has outstanding commitments under non-cancellable operating leases, which fall due as follows:

	2017.03.31 ¥	2016.03.31 ¥
Within 1 year	1,052,388	1,112,385
1-2 years	1,037,388	147,000
2-5 years	8,694	-
	2,098,470	1,259,385

Group Strategic Report, Report of the Directors and

Consolidated Financial Statements

for the Year Ended 31 March 2017

for

Usha Martin International Limited

Usha Martin International Limited

Contents of the Consolidated Financial Statements for the Year Ended 31 March 2017

DIRECTORS:	P Jhawar R Jhawar S Jodhawat P K Jain
SECRETARY:	S Hood
REGISTERED OFFICE:	Sandy Lane Worksop Nottinghamshire S80 3ES
REGISTERED NUMBER:	02928464 (England and Wales)
AUDITORS:	Campbell Dallas LLP Chartered Accountants Statutory Auditors Titanium 1 King's Inch Place Renfrew PA4 8WF
SOLICITORS:	Harper Macleod LLP The Ca'dora 45 Gordon Street Glasgow G1 3PE

The directors present their strategic report of the company and the group for the year ended 31 March 2017.

PRINCIPAL ACTIVITY

Usha Martin International Limited is the parent company of a group whose principal activity is trading in steel wire rope and wire products and related value added services. The trading is carried out through business entities in the UK and Europe. Furthermore, it is a wholly owned subsidiary of Usha Martin Limited, a company incorporated in India

REVIEW OF BUSINESS

The operating results and financial position of the group as well as the company for the year can be seen in the annexed financial statements.

The above represent the key financial performance indicators that management utilise to monitor the group. However, given the straightforward nature of the business, the Directors are of the opinion that analysis using non financial KPI's is not necessary for an understanding of the development, performance and position of the business.

Further information regarding the business performance, development and position, in the context of Usha Martin Limited group as a whole, is provided within its annual report which does not form part of this report.

PRINCIPAL RISKS AND UNCERTAINTIES

As for many businesses in this market, the environment in which the group operates continues to be challenging. The market remains highly competitive, with some volatility of raw materials prices constricting margins. In order to mitigate this risk, necessary action is being taken to improve the supply chain. Indications are that the market will continue like this for the foreseeable future.

FUTURE OUTLOOK

During the next 18-24 months, low crude oil prices will continue to have a significant impact on the sales revenue of the Group. However, Directors are confident that the Group will show improved performance during the next financial year despite difficult market conditions. Wherever necessary, the Group will consider capital expenditure to enhance operating performance.

USE OF FINANCIAL INSTRUMENTS

Our financial risk management objectives are to ensure sufficient working capital for the group. This is achieved through careful management of our cash resources, and by obtaining overdraft and loan finance where necessary. Other than this, the use of financial instruments is not material for the assessment of the assets, liabilities, financial position and profit of the company.

RESEARCH AND DEVELOPMENT

We continue to invest in the design and implementation of new technology in order to enhance our production systems and techniques. The Directors regard this investment as essential to the continuing success of the group.

EMPLOYEES TRAINING & DEVELOPMENT

We have consistently sought to recruit and retain the best employees in our market place. Particular attention is given to the training and career development of employees with a view to encouraging them to play an active role in the development of the company. Members of the management team regularly visit divisions and discuss matters of current interest and concern to the business with members of staff.

The company is committed to a policy of recruitment and promotion on the basis of aptitude and ability without discrimination of any kind.

OVERSEAS BRANCHES

The company operates overseas branches in Europe.

ON BEHALF OF THE BOARD:

.....
S Jodhawat - Director

Date: 17 May 2017

The directors present their report with the financial statements of the company and the group for the year ended 31 March 2017.

DIVIDENDS

No dividends will be distributed for the year ended 31 March 2017.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2016 to the date of this report.

P Jhawar
R Jhawar
S Jodhawat
P K Jain

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

AUDITORS
The auditors, Campbell Dallas LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

S Jodhawat - Director

Date: 17 May 2017

We have audited the financial statements of Usha Martin International Limited for the year ended 31 March 2017 on pages eight to thirty one. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page four, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Group Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2017 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Campbell Dallas LLP

Fraser Campbell (Senior Statutory Auditor)
for and on behalf of Campbell Dallas LLP
Chartered Accountants
Statutory Auditors
Titanium 1
King's Inch Place
Renfrew
PA4 8WF

Date: 17/5/17

Usha Martin International Limited

Consolidated Income Statement
for the Year Ended 31 March 2017

	Notes	2017 £'000	2016 £'000
TURNOVER	3	31,363	34,510
Cost of sales		25,023	26,827
GROSS PROFIT		6,340	7,683
Administrative expenses		6,059	6,398
OPERATING PROFIT	5	281	1,285
Interest payable and similar expenses	6	231	262
PROFIT BEFORE TAXATION		50	1,023
Tax on profit	7	42	208
PROFIT FOR THE FINANCIAL YEAR		8	815
Profit attributable to:			
Owners of the parent		8	815

The notes form part of these financial statements

Usha Martin International Limited

Consolidated Other Comprehensive Income
for the Year Ended 31 March 2017

	Notes	2017 £'000	2016 £'000
PROFIT FOR THE YEAR		8	815
OTHER COMPREHENSIVE INCOME			
Exchange difference		317	370
Income tax relating to other comprehensive income		-	-
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX		317	370
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		325	1,185
Total comprehensive income attributable to:			
Owners of the parent		325	1,185

The notes form part of these financial statements

Usha Martin International Limited (Registered number: 02928464)

Consolidated Balance Sheet
31 March 2017

	Notes	2017 £'000	2017 £'000	2016 £'000	2016 £'000
FIXED ASSETS					
Tangible assets	9		27,933		28,452
Investments	10		-		-
			27,933		28,452
CURRENT ASSETS					
Stocks	11	13,168		13,002	
Debtors	12	7,831		6,733	
Cash at bank and in hand		1,226		1,598	
		22,225		21,333	
CREDITORS					
Amounts falling due within one year	13	10,087		7,022	
NET CURRENT ASSETS			12,138		14,311
TOTAL ASSETS LESS CURRENT LIABILITIES			40,071		42,763
CREDITORS					
Amounts falling due after more than one year	14		(4,489)		(7,407)
PROVISIONS FOR LIABILITIES	18		(1,105)		(1,187)
ACCRUALS AND DEFERRED INCOME			(484)		(501)
NET ASSETS			33,993		33,668
CAPITAL AND RESERVES					
Called up share capital	20		6,223		6,223
Capital redemption reserve	21		1,417		1,417
Retained earnings	21		26,353		26,028
SHAREHOLDERS' FUNDS			33,993		33,668

The financial statements were approved by the Board of Directors on 17 May 2017 and were signed on its behalf by:

S Jodhawat

S Jodhawat - Director

The notes form part of these financial statements

Usha Martin International Limited (Registered number: 02928464)

Company Balance Sheet
31 March 2017

	Notes	2017 £'000	£'000	2016 £'000	£'000
FIXED ASSETS					
Tangible assets	9		-		-
Investments	10		7,060		7,060
			7,060		7,060
CURRENT ASSETS					
Debtors	12	2,665		2,287	
Cash at bank		6		200	
		2,671		2,487	
CREDITORS					
Amounts falling due within one year	13	166		51	
NET CURRENT ASSETS			2,505		2,436
TOTAL ASSETS LESS CURRENT LIABILITIES			9,565		9,496
CAPITAL AND RESERVES					
Called up share capital	20		6,223		6,223
Capital redemption reserve	21		1,417		1,417
Retained earnings	21		1,925		1,856
SHAREHOLDERS' FUNDS			9,565		9,496
Company's profit for the financial year			69		153

The financial statements were approved by the Board of Directors on 17 May 2017 and were signed on its behalf by:

S Jodhawat

S Jodhawat - Director

The notes form part of these financial statements

Usha Martin International Limited

Consolidated Statement of Changes in Equity
for the Year Ended 31 March 2017

	Called up share capital £'000	Retained earnings £'000	Capital redemption reserve £'000	Total equity £'000
Balance at 1 April 2015	6,223	24,836	1,417	32,476
Changes in equity				
Total comprehensive income	-	1,192	-	1,192
Balance at 31 March 2016	6,223	26,028	1,417	33,668
Changes in equity				
Total comprehensive income	-	325	-	325
Balance at 31 March 2017	6,223	26,353	1,417	33,993

The notes form part of these financial statements

Usha Martin International Limited

Company Statement of Changes in Equity
for the Year Ended 31 March 2017

	Called up share capital £'000	Retained earnings £'000	Capital redemption reserve £'000	Total equity £'000
Balance at 1 April 2015	6,223	1,703	1,417	9,343
Changes in equity				
Total comprehensive income	-	153	-	153
Balance at 31 March 2016	6,223	1,856	1,417	9,496
Changes in equity				
Total comprehensive income	-	69	-	69
Balance at 31 March 2017	6,223	1,925	1,417	9,565

The notes form part of these financial statements

Usha Martin International Limited

Consolidated Cash Flow Statement
for the Year Ended 31 March 2017

	Notes	2017 £'000	2016 £'000
Cash flows from operating activities			
Cash generated from operations	1	2,142	3,424
Interest paid		(231)	(262)
Tax paid		23	(171)
Net cash from operating activities		1,934	2,991
Cash flows from investing activities			
Purchase of tangible fixed assets		(479)	(554)
Sale of tangible fixed assets		17	24
Net cash from investing activities		(462)	(530)
Cash flows from financing activities			
Loan repayments in year		(1,816)	(957)
Capital repayments in year		(28)	(18)
Net cash from financing activities		(1,844)	(975)
(Decrease)/increase in cash and cash equivalents		(372)	1,486
Cash and cash equivalents at beginning of year	2	1,598	112
Cash and cash equivalents at end of year	2	1,226	1,598

The notes form part of these financial statements

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2017	2016
	£'000	£'000
Profit before taxation	50	1,023
Depreciation charges	1,397	1,292
Profit on disposal of fixed assets	-	(4)
Other non cash items	(99)	(123)
Finance costs	231	262
	1,579	2,450
(Increase)/decrease in stocks	(166)	1,429
(Increase)/decrease in trade and other debtors	(1,222)	2,039
Increase/(decrease) in trade and other creditors	1,951	(2,494)
Cash generated from operations	2,142	3,424

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Consolidated Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 March 2017

	31.3.17	1.4.16
	£'000	£'000
Cash and cash equivalents	1,226	1,598

Year ended 31 March 2016

	31.3.16	1.4.15
	£'000	£'000
Cash and cash equivalents	1,598	112

The notes form part of these financial statements

1. STATUTORY INFORMATION

Usha Martin International Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements
These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Basis of consolidation
The consolidated financial statements incorporate the audited financial statements of Usha Martin International Limited and its subsidiaries as at 31 March 2017. The results of companies acquired during a financial year are dealt with from the date of acquisition using the principles of acquisition accounting. The financial statements of subsidiaries denominated in foreign currencies are translated using the year end closing exchange rate.

Significant judgements and estimates
The preparation of Financial Statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and assumptions are reviewed on an ongoing basis and revisions to estimates are recognised in the period in which the estimate is revised and in any future periods affected.

The directors are of the opinion there are no matters of significant judgement and estimation which are material to the financial statements.

Turnover
Turnover represents amounts derived from the provision of goods and services which fall within the group's principal activity after the deductions of trade discounts and value added tax.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter. Land is not depreciated.

Depreciation is provided on other assets as follows:

Buildings	2% on cost
Plant and equipment	Varying rates on cost
Motor vehicles	25% on cost
Fixtures, fittings (including office equipment)	Varying rates on reducing balance

continued...

2. ACCOUNTING POLICIES - continued

Stocks

Stocks and work in progress are stated at the lower of cost and net realisable value. Cost includes the purchase price of materials and other appropriate acquisition costs and overheads appropriate to the relevant stage of completion.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Research and development

Research and development expenditure is written off in the year in which it is incurred, except that development expenditure incurred on an individual project is carried forward when its future recoverability can reasonably be regarded as assured. Any expenditure carried forward is amortised in line with expected future sales for the related project.

Foreign currencies

Certain transactions of the group are denominated in foreign currencies. These are converted into sterling using an average rate. Monetary assets and liabilities at the balance sheet date, which are denominated in foreign currencies, are translated into sterling at the rates ruling at that date. The translation differences are dealt with in the profit and loss account.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over the estimated useful lives of the lease term, whichever is shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

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2. ACCOUNTING POLICIES - continued

Pension costs
The cost of providing defined contribution pensions is charged to the profit and loss account in the period in which it is incurred.

Acquisition and disposals
On the acquisition of a business, fair values are attributed to the group's share of net separable assets. Where the cost of the acquisition exceeds the values attributable to such net assets the difference is treated as purchased goodwill and capitalised in the balance sheet in the year of acquisition.

Operating leases
The rental cost of properties and other assets held under operating leases are charged to the profit and loss account on a straight line basis.

Government grants
Government grants based on capital expenditure are credited to the profit and loss account over the estimated useful life of the assets funded. Government grants of a revenue nature are credited to the profit and loss account in the same period as the related expenditure.

Financial instruments
Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument and are classified in accordance with their underlying economic reality. The Company has two main categories of financial instruments, which are loans and other receivables and other financial liabilities.

Loans and other receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Upon recognition, these assets are measured at fair value less directly related transaction expenses. In successive periods these are measured at amortised cost, and any differences between acquisition cost and redemption value is accounted for over the borrowing period by using the effective interest method. If transaction costs are immaterial and the credit period is short, amortised cost is equal to the nominal value less any allowance for credit losses.

Other financial liabilities
Other financial liabilities are recognised initially at fair value, net of transaction costs incurred. In successive periods these are measured at amortised cost. Any differences between acquisition cost and redemption value is accounted for over the borrowing period by using the effective interest method. If transaction costs are immaterial and the credit period is short, amortised cost is equal to the nominal value.

Impairment of financial instruments
A provision for impairment is established when there is objective evidence that, as a result of one or more events that occurred after the initial recognition, the estimated future cash flows have been impacted.

continued...

3. TURNOVER

Turnover and pre-tax profit are attributable to the principal activity of the group, which is that of the manufacture sale and services relating to wire rope and associated products.

In the opinion of the directors it would be prejudicial to the interests of the group and the company to provide an analysis of turnover by geographical market.

4. EMPLOYEES AND DIRECTORS

	2017 £'000	2016 £'000
Wages and salaries	6,181	6,160
Social security costs	467	516
Other pension costs	221	251
	6,869	6,927

The average monthly number of employees during the year was as follows:

	2017	2016
Production	101	105
Administration, sales and distribution	86	95
	187	200

	2017 £'000	2016 £'000
Directors' remuneration	219,000	305,000

Information regarding the highest paid director is as follows:

	2017 £'000	2016 £'000
Emoluments etc	219,000	305,000

continued...

5. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2017 £'000	2016 £'000
Hire of plant and machinery	202	236
Depreciation - owned assets	1,352	1,271
Depreciation - assets on hire purchase contracts	38	35
Profit on disposal of fixed assets	-	(4)
Audit of company accounts	12	12
Audit of company subsidiaries	24	24
Tax services	6	6
Other services	9	9
Subsidiary auditors	7	7
Foreign exchange differences	192	(216)
Release of grant	(17)	(17)

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2017 £'000	2016 £'000
Bank interest	231	262

7. TAXATION

Analysis of the tax charge
The tax charge on the profit for the year was as follows:

	2017 £'000	2016 £'000
Current tax:		
UK corporation tax	137	81
Prior year over provision	(28)	-
Overseas tax	15	-
Total current tax	124	81
Deferred tax	(82)	127
Tax on profit	42	208

continued...

7. TAXATION - continued

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2017 £'000	2016 £'000
Profit before tax	50	1,023
Profit multiplied by the standard rate of corporation tax in the UK of 20% (2016 - 20%)	10	205
Effects of:		
Expenses not deductible for tax purposes	7	8
Income not taxable for tax purposes	(3)	-
Utilisation of tax losses	-	11
Adjustments to tax charge in respect of previous periods	(28)	(7)
Change of rate	(32)	(43)
recognised		
Adjustments to tax charge in respect of previous periods - deferred tax	40	-
Non qualifying depreciation	45	34
Foreign tax credits	15	-
Chargeable gains / (losses)	(12)	-
Total tax charge	42	208

Tax effects relating to effects of other comprehensive income

	2017		
	Gross £'000	Tax £'000	Net £'000
Exchange difference	317	-	317
	317	-	317

	2016		
	Gross £'000	Tax £'000	Net £'000
Exchange difference	370	-	370
Movement in deferred tax on property revaluation	7	-	7
	377	-	377

continued...

8. INDIVIDUAL INCOME STATEMENT

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

9. TANGIBLE FIXED ASSETS

Group

	Freehold property £'000	Plant and machinery £'000	Fixtures and fittings £'000
COST			
At 1 April 2016	16,103	17,894	614
Additions	82	330	52
Disposals	(24)	(10)	(13)
Exchange differences	357	68	15
Reclassification/transfer	-	153	-
At 31 March 2017	16,518	18,435	668
DEPRECIATION			
At 1 April 2016	1,203	4,721	422
Charge for year	293	997	79
Eliminated on disposal	(15)	(3)	(5)
Exchange differences	7	14	4
At 31 March 2017	1,488	5,729	500
NET BOOK VALUE			
At 31 March 2017	15,030	12,706	168
At 31 March 2016	14,900	13,173	192

continued...

9. TANGIBLE FIXED ASSETS - continued

Group

	Motor vehicles £'000	Assets under construction £'000	Totals £'000
COST			
At 1 April 2016	289	153	35,053
Additions	15	-	479
Disposals	-	-	(47)
Exchange differences	6	-	446
Reclassification/transfer	-	(153)	-
At 31 March 2017	310	-	35,931
DEPRECIATION			
At 1 April 2016	255	-	6,601
Charge for year	21	-	1,390
Eliminated on disposal	-	-	(23)
Exchange differences	5	-	30
At 31 March 2017	281	-	7,998
NET BOOK VALUE			
At 31 March 2017	29	-	27,933
At 31 March 2016	34	153	28,452

Included with Land & Buildings is £780,000 (2016: £780,000) of property held under long leasehold.

Included within the tangible fixed assets total are assets under construction with a carrying value of £nil (2016: £153,000) at the balance sheet date. These costs were in respect of an expansion of the group's production facilities including property and plant and machinery.During the year these assets were transferred to plant and machinery.

At the year end, the net book value of assets held under hire purchase contracts amounted to £188,000 (2016: £175,000). The related depreciation charge on these assets for the year was £38,000 (2015: £35,000).

continued...

9. TANGIBLE FIXED ASSETS - continued

Group

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £'000
COST	
At 1 April 2016	—
DEPRECIATION	
At 1 April 2016	35
Charge for year	38
At 31 March 2017	73
NET BOOK VALUE	
At 31 March 2017	(73)
At 31 March 2016	(35)

Company

	Fixtures and fittings £'000
COST	
At 1 April 2016 and 31 March 2017	84
DEPRECIATION	
At 1 April 2016 and 31 March 2017	84
NET BOOK VALUE	
At 31 March 2017	-
At 31 March 2016	-

continued...

10. FIXED ASSET INVESTMENTS

Company

	Unlisted investments £'000
COST	
At 1 April 2016 and 31 March 2017	7,060
NET BOOK VALUE	
At 31 March 2017	7,060
At 31 March 2016	7,060

Details of subsidiaries are given below:

Company	Country of incorporation	Activity
Usha Martin UK Limited	United Kingdom (100%)	Trading in metal and wire products
European Management & Marine Ltd	United Kingdom (100%)	Dormant
Brunton Shaw UK Limited	United Kingdom (100%)	Dormant
De Ruiter Staalkabal BV	Netherlands (100%)	Trading in metal and wire products
Usha Martin Italia Srl	Italy (100%)	Research and Development
Usha Martin Europe BV	Netherlands (100%)	Trading in metal and wire products

11. STOCKS

	Group	
	2017 £'000	2016 £'000
Raw materials	890	1,054
Goods in transit	1,373	551
Work-in-progress	581	416
Finished goods & goods for sale	10,324	10,981
	13,168	13,002

continued...

12. DEBTORS

	Group		Company	
	2017 £'000	2016 £'000	2017 £'000	2016 £'000
Amounts falling due within one year:				
Trade debtors	7,190	5,430	-	-
Other debtors	305	368	-	-
Due from group companies	5	480	-	-
Due from subsidiary companies	-	-	2,352	1,973
Tax	18	142	-	-
Prepayments and accrued income	-	-	-	1
	7,518	6,420	2,352	1,974
Amounts falling due after more than one year:				
Directors' loan accounts	313	313	313	313
Aggregate amounts	7,831	6,733	2,665	2,287

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2017 £'000	2016 £'000	2017 £'000	2016 £'000
Bank loans and overdrafts (see note 15)	2,309	1,235	-	-
Hire purchase contracts (see note 16)	31	31	-	-
Trade creditors	4,295	3,832	-	-
Tax	23	-	-	-
Social security and other taxes	125	76	-	-
VAT	43	217	-	-
Other creditors	656	543	11	8
Due to subsidiaries	-	-	155	43
Amounts due to parent company	1,344	368	-	-
Amounts due to group companies	1,261	720	-	-
	10,087	7,022	166	51

continued...

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group	
	2017	2016
	£'000	£'000
Bank loans (see note 15)	4,419	7,309
Hire purchase contracts (see note 16)	70	98
	4,489	7,407

15. LOANS

An analysis of the maturity of loans is given below:

	Group	
	2017	2016
	£'000	£'000
Amounts falling due within one year or on demand:		
Bank loans	663	1,235
Working capital facility	1,646	-
	2,309	1,235
Amounts falling due between one and two years:		
Bank loans	1,538	1,235
Amounts falling due between two and five years:		
Bank loans	489	3,719
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans	2,392	2,355

continued...

16. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group

	Hire purchase contracts	
	2017	2016
	£'000	£'000
Net obligations repayable:		
Within one year	31	31
Between one and five years	70	98
	101	129

Group

	Non-cancellable operating leases	
	2017	2016
	£'000	£'000
Within one year	164	166
Between one and five years	582	524
In more than five years	7,471	7,597
	8,217	8,287

17. SECURED DEBTS

The following secured debts are included within creditors:

	Group	
	2017	2016
	£'000	£'000
Bank loans	6,728	8,544
Hire purchase contracts	101	129
	6,829	8,673

The bank loan includes a £1.88m asset finance loan secured over plant & machinery. The balance of £1.65m is secured by a charge over trade debtors and a fixed and floating charge over the assets of a subsidiary of the company.

A further bank loan of £3.2m is secured on the property of a subsidiary company and a postponed loan from the holding company. The bank loan of £3.2m is repayable over a 20 year term at a variable interest rate linked to Euribor.

The hire purchase contracts are secured over the related assets.

continued...

18. PROVISIONS FOR LIABILITIES

	Group	
	2017	2016
	£'000	£'000
Deferred tax	1,105	1,187

Group

	Deferred tax £'000
Balance at 1 April 2016	1,187
Movement in the year	(82)
Balance at 31 March 2017	1,105

19. ACCRUALS AND DEFERRED INCOME

	Group	
	2017	2016
	£'000	£'000
Deferred government grants	484	501

20. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal Value:	2016 £'000	2015 £'000
2,847,263	A Ordinary	£1	2,847,263	2,847,263
3,062,125	B Ordinary	£1	3,062,125	3,062,125
513,860	C Ordinary	£0.61	313,455	313,455
			6,223	6,223

The company has an option to acquire the C ordinary shares, in normal course, at any time after the fourth anniversary (2nd June 2016) at a fair value, on the exercise of the option to sell by the participant.

continued...

21. RESERVES

Group

	Retained earnings £'000	Capital redemption reserve £'000	Totals £'000
At 1 April 2016	26,028	1,417	27,445
Profit for the year	8		8
Foreign exchange translation difference	317	-	317
At 31 March 2017	26,353	1,417	27,770

Company

	Retained earnings £'000	Capital redemption reserve £'000	Totals £'000
At 1 April 2016	1,856	1,417	3,273
Profit for the year	69		69
At 31 March 2017	1,925	1,417	3,342

Included within group retained earnings above are non-distributable reserves of £844,000 (2016: £829,000).

22. CONTINGENT LIABILITIES

At 31 March 2017, there were bank guarantees held at Barclays Commercial Bank amounting to £100,000 (2016: £115,000) in respect of performance bonds and other obligations.

The group were awarded grant income in 2013. Should the group no longer meet the conditions set out in the grant offer from the date of offer until 2019, part of the grant may become repayable.

23. OTHER FINANCIAL COMMITMENTS

The group have entered into forward foreign exchange contracts at the year end totalling £936,000 (2015: £556,000) in order to mitigate the effect of movements in foreign exchange. These expire within three months of the year end.

24. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

On 2 June 2012 the company issued 513,860 Ordinary 'C' shares of £0.61 each, nil paid, to Shyam Jodhawat. The balance due of £313,000 is included in debtors in the balance sheet.

continued...

25. RELATED PARTY DISCLOSURES

In the year ended 31 March 2017, the group made purchases for goods and services from Usha Martin Limited and its subsidiaries amounting to £6,817,000 (2016: £7,666,000). As at 31 March 2017 the group owed £1,344,000 (2016: £368,000) to the parent company, and £1,261,000 (2016: £720,000) to subsidiary companies. These balances are included within creditors due within one year.

The group also sold goods & services to Usha Martin Limited and its subsidiaries amounting to £539,000 (2016: £2,213,000). As at 31 March 2017 these companies owed the group £5,000 (2016: £480,000) and this balance is included within debtors due within one year. The group is under control of its parent company which owes 100% of the issued voting share capital.

26. ULTIMATE PARENT UNDERTAKING

Usha Martin Limited, a company incorporated in India, is the ultimate parent undertaking. Copies of the accounts of the ultimate parent undertaking may be obtained by writing to the Company Secretary at Usha Martin Limited, 2A, Shakespeare Sarani, Kolkata, 700 071, India.

27. PENSION CONTRIBUTIONS

The group made payments to employees defined contribution pension schemes. The pension costs charged during the period under review amounted to £221,000 (2016: £251,000).

28. FINANCIAL RISK MANAGEMENT

The company has exposures to three main areas of risk - foreign exchange currency exposure, liquidity risk and interest rate risk.

Foreign exchange transactional currency exposure
The company is exposed to currency exchange rate risk due to a significant proportion of its receivables, payables and operating expenses being dominated in non-Sterling currencies. The net exposure of each currency is monitored and managed by the use of forward foreign exchange contracts or overdraft facility. The forward foreign exchange contracts all mature within 12 months.

Liquidity risk
The objective of the company in managing liquidity risk is to ensure that it can meet its financial obligations as and when they fall due. The group expects to meet its financial obligations through operating cash flows. Int he event that the operating cash flows would not cover all the financial obligations, the company has credit facilities available. Given the maturity of the bank loan in note 14, the company is in a position to meet its commitments and obligations as they fall due.

Interest rate risk
The company borrows from its bankers using either overdrafts or term loans whose tenure depends on the nature of the asset and management's view of the future direction of interest rate.

GOVERS
ACCOUNTANTS / ADVISEURS SINDS 1927

De Ruiter Staalkabel B.V.
located, Sliedrecht

Report on the annual accounts
1 April 2016 until 31 March 2017

De Ruiter Staalkabel B.V.
Sliedrecht

Table of contents

Long-term liabilities

Long-term liabilities

	Balance as at 31 March 2017	Repayment due within a year	Remaining pay-back time > 1 year
	€	€	€
Lease liabilities	118.282	45.856	72.426
Debts to credit institutions	3.768.750	225.000	3.543.750
Liabilities to group companies	1.074.062	-	1.074.062
Totaal	4.961.094	270.856	4.690.238

Remaining maturity > 5 years	3.717.812
Business guarantees	See below
If, conditionally or not, the company has committed to complaints or objections of goods	See below

Mortgages loan payable

De Ruiter Staalkabel B.V. has entered into a mortgage loan with the following conditions:
- Capital sum of € 4.500.000
- Duration appr. 14 years (appr. 20 years if rent of parcel will be extended)
- interestrate 3-months euribor + overhead charge.

Concerning the mortgage loan De Ruiter Staalkabel B.V. issued the following securities:
- First right of mortgage up to an amount of € 5.000.000 established on the real estate, address Kerkeplaat / Eerste Merwedehaven, Dordrecht;
- Pledging and subordination of loan (receivable) Usha Martin International Ltd;
- non-distribution clause in case of solvency rate lower than 30%.

Lease liabilities

Concerning the lease commitments De Ruiter Staalkabel B.V. issued the next securities:
- a new fixed mortgage up to an amount of € 185.000 increased by 35% for interest and cost
- for the financial lease a lien on the objects.

	31-03-2017	31-03-2016
	€	€
Liabilities to group companies		
Usha Martin International Ltd	1.074.062	1.324.062

This loan is subordinated to the mortgage loan.
No repayment is due for as long as the Bank has any claim on the Borrower, unless the bank has given therefor a prior written permission. The interestrate is 3%.
Securities have not been agreed.

Short-term liabilities

	31-03-2017	31-03-2016
	€	€
Amounts owed to credit institutions		
Repayment obligations	270.856	268.648
Trade creditors		
Trade creditors	1.229.532	1.249.895
Liabilities to group companies		
Intercompany creditors	1.063.000	654.204
Taxes and social security premiums		
Value added tax	93.941	72.397
Wage tax	49.244	44.594
	143.185	116.991
Other liabilities and accrued expenses		
Other payables	-	13.487
Holiday allowance	141.843	176.316
Miscellaneous expenses	50.194	67.887
	192.037	257.690

Off-balance-sheet rights, obligations and arrangements

Operational lease

De Ruiter Staalkabel B.V. has concluded an operational lease commitment for an overhead crane and press. The total obligation is about € 130.000. The short-term obligation is about € 52.000.

Proposal appropriation of result

The management of the company proposes to appropriate the profit as follows:

The appropriation of profit for the period 1 April 2016 until 31 March 2017 in the amount of € 338.878 will be added in full to the other reserves.

This proposal needs to be approved by the Annual General Meeting. However, the proposal has already been processed in the annual accounts 1 April 2016 until 31 March 2017 for the company.

NOTES TO THE PROFIT AND LOSS STATEMENT

	1-4-2016 / 31-3-2017	*1-4-2015 / 31-3-2016*
	€	€
Net Turnover		
Net turnover	10.768.835	12.569.695
Cost of sales		
Cost of sales	7.444.989	9.074.232
Transport costs	257.673	575.806
	7.702.662	9.650.038
Addition to stock provision	1.249	-97.104
	7.703.911	9.552.934
Wages and salaries		
Gross salaries	1.188.748	1.240.737
Sickness benefits	-23.299	-53.107
Management fee Usha Martin International Ltd.	168.000	168.000
	1.333.449	1.355.630

Remuneration of directors
The management fee of director Usha Martin International Ltd. amounts € 168.000 (2015/2016: € 168.000).

Average number of employees

1-4-2016 / 31-3-2017

	Active within the Netherlands	Active outside the Netherlands	Total
Sales	4,00	-	4,00
Workshop and logistics	14,00	-	14,00
General	6,00	-	6,00
Average number of employees	**24,00**	**-**	**24,00**

1-4-2015 / 31-3-2016

	Active within the Netherlands	Active outside the Netherlands	Total
Sales	5,00	-	5,00
Workshop and logistics	17,00	-	17,00
General	5,00	-	5,00
Average number of employees	**27,00**	**-**	**27,00**

	1-4-2016 / 31-3-2017	1-4-2015 / 31-3-2016
	€	€
Social security charges		
Social security contributions	175.025	181.557
Pension contributions		
Staff pension contributions	125.788	127.643
Other personnel expenses		
Sick pay insurance	-	63.084
Recruitment expenses	-	11.725
Temporary staff	136.152	73.089
Study and training expenses	7.678	6.793
Allowance for travelling and hotel expenses	56.988	52.272
Canteen expenses	11.926	10.289
Other personnel expenses	10.355	7.487
	223.099	224.739
Depreciation of tangible fixed assets		
Buildings and land	65.756	64.447
Depreciation of plant and machinery	91.820	87.036
Other fixed assets	45.463	42.533
	203.039	194.016
Book profit other fixed assets	247	-225
	203.286	193.791
Other operating expenses		
Housing expenses	97.822	76.076
Operating and machine expenses	152.515	207.592
Selling expenses	28.729	45.065
Car expenses	12.610	20.072
Office expenses	108.474	124.171
General expenses	38.490	50.388
	438.640	523.364
Housing expenses		
Rent expenses	-28	3.971
Gas, water and electricity	52.146	21.479
Cleaning expenses	22.422	20.515
Property tax	17.794	24.035
Other housing expenses	5.488	6.076
	97.822	76.076
Operating and machine expenses		
Repair and maintenance of inventory	44.968	75.340
Workshop expenses	53.060	79.246
Rent equipment	54.487	53.006
	152.515	207.592

	1-4-2016 / 31-3-2017	1-4-2015 / 31-3-2016
	€	€
Selling expenses		
Representation expenses	2.682	27.826
Advertising expenses	9.598	16.607
Allocation to provision for bad debts	16.449	632
	28.729	45.065
Car expenses		
Lease expenses	-	1.147
Miscellaneous car expenses	12.610	18.925
	12.610	20.072
Office expenses		
IT expenses	26.039	25.807
Communication costs	19.565	22.934
Miscellaneous general expenses	-14.050	-1.500
Contributions and subscriptions	8.067	6.784
Telephone and fax expenses	51.914	49.606
Other office expenses	16.939	20.540
	108.474	124.171
General expenses		
Audit and advisory costs	14.509	29.765
Other general expenses	4.499	346
Administrative expenses	19.482	20.277
	38.490	50.388
Financial income and expenses		
Interest and similar income	485	555
Interest and similar expenses	-124.165	-150.154
	-123.680	-149.599
Interest and similar expenses		
Interest loan group companies	37.755	39.600
Paid bank interest	86.410	101.997
Exchanges differences on cash items	-	8.557
	124.165	150.154

C. Description of responsibilities regarding the financial statements

Responsibilities of management for the financial statements
Management is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.
As part of the preparation of the financial statements, management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, management should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. Management should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

Our responsibilities for the audit of the financial statements
Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.
Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

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. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements.

Our audit included e.g.:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining 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;

- Obtaining 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;

- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

- Concluding on the appropriateness of management's 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 auditor's 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 auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern;

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

Eindhoven, 19 April 2017
Govers Accountants / Adviseurs

Drs. P.W.A. Oprins RA
Assurance reference: 2017CA083

USHA MARTIN ITALIA S.R.L. UNIPERSONALE

Registered office: VIA SEGNI, 6 CONCESIO (BS)
Registered with the Registry of Companies of: BRESCIA
Tax Registration Number: 08054010965
Registered with the REA of BRESCIA no. 544194
Subscribed share capital €: 10.000,00 Fully paid
VAT registration number: 08054010965
Societa' unipersonale

Condensed financial statements as at 31/03/2017

Assets

	Partial 2017	Total 2017	Fiscal year 2016
B) Fixed assets			
I - Intangible fixed assets		92.390	49.351
II - Tangible fixed assets		138.978	159.149
III - Financial fixed assets			7.000
Total fixed assets (B)		*231.368*	*215.500*
C) Current assets			
II - Receivables		220.084	168.375
due within the following year		220.084	168.375
due beyond the following year			
IV - Liquid funds		6.516	751
Total current assets (C)		*226.600*	*169.126*
D) Accrued income and prepayments		**6.738**	**5.629**
Total assets		*464.706*	*390.255*

Liabilities

	Partial 2017	Total 2017	Fiscal year 2016
A) Shareholders' equity			
I - Share capital		10.000	10.000
IV - Legal reserve		2.000	2.000
VI - Other reserves		225.518	160.744
IX - Profit (loss) for the year		64.090	64.774
Total Shareholders' Equity		*301.608*	*237.518*
C) Total reserve for severance indemnities (TFR)		**68.660**	**50.837**
D) Payables		**94.438**	**101.900**
due within the following year		94.438	101.900
due beyond the following year			
Total liabilities and shareholders' equity		*464.706*	*390.255*

Profit and loss account

	Partial 2017	Total 2017	Fiscal year 2016
A) Value of production			
1) Revenues from sales and services		881.999	890.650
5) Other income and revenues			
other		145	34
Total Other income and revenues		*145*	*34*
Total value of production		*882.144*	*890.684*
B) Cost of production			
6) Raw, ancillary and consumable materials and goods for resale		17.387	7.921
7) Services		145.327	185.124
8) Use of third party assets		26.684	57.157
9) Payroll and related costs			
a) wages and salaries		391.691	377.755
b) related salaries		98.470	97.619
c/d/e) severance, pensions and similar commitments and other costs		27.955	27.284
c) severance		27.955	25.984
e) other costs			1.300
Total payroll and related costs		*518.116*	*502.658*
10) Amortisation, depreciation and writedowns			
a/b/c) amortisation of intangible fixed assets, depreciation of tangible fixed assets and other amounts written off fixed assets		49.568	24.416
a) amortisation of intangible fixed assets		16.688	6.290
b) depreciation of tangible fixed assets		22.919	18.126
c) other amounts written off fixed assets		9.961	
Total Amortisation, depreciation and writedowns		*49.568*	*24.416*
14) Other operating expenses		21.669	11.127
Total cost of production		*778.751*	*788.403*
Difference between value and cost of production (A - B)		**103.393**	**102.281**
C) Financial income and expense			
16) Other financial income			
d) Income other than the above			
other		17	79
Total income other than the above		*17*	*79*
Total other financial income		*17*	*79*

	Partial 2017	Total 2017	Fiscal year 2016
17) Interest and other financial expense			
other		61	130
Total interest and other financial expense		*61*	*130*
17-bis) Currency gains and losses		(36)	
Total financial income and expense (15 + 16 - 17 + - 17-bis)		*(80)*	*(51)*
Profit before taxes (A - B + - C + - D)		**103.313**	**102.230**
20) Taxes on the income for the year			
Current taxes		39.223	37.456
Total taxes on the income for the year		*39.223*	*37.456*
21) Net profit (loss) for the year		**64.090**	**64.774**

Report on the annual accounts 2016/2017 of
USHA Martin Europe B.V.
Ridderkerk

CONTENTS

REPORT OF THE AUDITORS

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To the directors of
USHA Martin Europe B.V.
Kerkeplaat 10
3313 LC Dordrecht

Nijkerk, April 19th 2017

Dear Board,

We hereby send you the report regarding the financial statements for the year 2016/2017 of your company .

1 ENGAGEMENT

In accordance with your instructions we have compiled the annual account 2016/2017 of your company, including the balance sheet with counts of € 1,037,272 and the profit and loss account with a post-tax result of € 18,706.

2 ACCOUNTANT'S COMPILATION REPORT

To: the management

The financial statements of USHA Martin Europe B.V. at Ridderkerk have been compiled by us using the information provided by you . The financial statements comprise the balance sheet as at March 31, 2017, the profit and loss account and the cash flow statement for the year 2016/2017 with the accompanying explanatory notes. These notes include a summary of the accounting policies which have been applied.

This compilation engagement has been performed by us in accordance with Dutch law, including the Dutch Standard 4410, "Compilation engagements", which is applicable to accountants. The standard requires us to assist you in the preparation and presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. To this end we have applied our professional expertise in accounting and financial reporting.

In a compilation engagement, you are responsible for ensuring that you provide us with all relevant information and that this information is correct. Therefore, we have conducted our work, in accordance with the applicable regulations, on the assumption that you have fulfilled your responsibility. To conclude our work, we have read the financial statements as a whole to consider whether the financial statements as presented correspond with our understanding of USHA Martin Europe B.V. We have not performed any audit or review procedures which would enable us to express an opinion or a conclusion as to the fair presentation of the financial statements.

During this engagement we have complied with the relevant ethical requirements prescribed by the "Verordening Gedrags- en Beroepsregels Accountants" (VGBA). You and other users of these financial statements may therefore assume that we have conducted the engagement in a professional, competent and objective manner and with due care and integrity and that we will treat all information provided to us as confidential.

3 GENERAL

3.1 Company

The main activities of USHA Martin Europe B.V. are:
- the sales and distribution centre for mainland Europe, concentrating our efforts in enhancing the efficiency of distributing USHA MARTIN GROUP product to our wide range of customers.

3.2 Board

At balance sheet date, the directors are conducted by USHA Martin International Ltd.

3.3 Appropriation of the nett result 2016/2017

The profit for the year 2016/2017 amounts to € 18,706 compared with a loss for the year 2015/2016 of € 2,640.
The analysis of the result is disclosed on page 4.
The proposed appropriation of result is disclosed under other information.

3.4 Recognition of the 2015/2016 loss

The result amounting to € 2,640 has been carried forward as accumulated deficit.

4 RESULTS

4.1 Development of income and expenses

The result after taxation for 2016/2017 amounts to € 18,706 compared to negative € 2,640 for 2015/2016. The results for both years can be summarized as follows:

	2016/2017		2015/2016		Difference
	€	%	€	%	€
Nett turnover	1,516,511	100.0	2,336,818	100.0	-820,307
Cost price	1,430,539	94.3	2,159,652	92.4	-729,113
Gross turnover result	85,972	5.7	177,166	7.6	-91,194
Expenses					
Wages and salaries	19,985	1.3	65,455	2.8	-45,470
Social security charges	2,842	0.2	10,568	0.5	-7,726
Pension costs	2,428	0.2	6,830	0.3	-4,402
Other personnel costs	8,776	0.6	5,919	0.3	2,857
Amortisation and depreciation	1,388	0.1	2,387	0.1	-999
Accomodation expenses	106	-	72,592	3.1	-72,486
Operating costs	-	-	2,299	0.1	-2,299
Office expenses	1,491	0.1	5,168	0.2	-3,677
Car expenses	1,085	0.1	525	-	560
Selling and distribution expenses	47	-	891	-	-844
General expenses	24,313	1.6	21,092	0.9	3,221
	62,461	4.2	193,726	8.3	-131,265
Operating result	23,511	1.5	-16,560	-0.7	40,071
Financial income and expenses	-125	-	13,827	0.6	-13,952
Result before tax	23,386	1.5	-2,733	-0.1	26,119
Taxation	-4,680	-0.3	93	-	-4,773
Result after taxation	18,706	1.2	-2,640	-0.1	21,346

4.2 Nett turnover and gross margin

The nett turnover decreased by 35.1% to € 1,516,511. The gross margin decreased by 51.5% to € 85, 972.

4.3 The result for the last five years

	2016/2017	2015/2016	2014/2015	2013/2014	2012/2013
	€	€	€	€	€
Nett turnover	1,516,511	2,336,818	2,442,648	2,012,870	1,007,704
Cost price	1,430,539	2,159,652	2,096,653	1,807,953	920,739
Gross turnover result	85,972	177,166	345,995	204,917	86,965
Expenses					
Wages and salaries	19,985	65,455	78,397	94,214	88,835
Social security charges	2,842	10,568	13,063	15,551	14,838
Pension costs	2,428	6,830	7,583	10,753	8,833
Other personnel costs	8,776	5,919	4,025	10,653	16,179
Amortisation and depreciation	1,388	2,387	2,671	2,671	1,717
Accomodation expenses	106	72,592	97,959	97,000	80,747
Operating costs	-	2,299	1,870	229	3,978
Office expenses	1,491	5,168	5,699	6,932	8,247
Car expenses	1,085	525	800	1,312	14,475
Selling and distribution expenses	47	891	525	23,201	1,932
General expenses	24,313	21,092	21,896	20,423	14,601
	62,461	193,726	234,488	282,939	254,382
Operating result	23,511	-16,560	111,507	-78,022	-167,417
Financial income and expenses	-125	13,827	-108,569	7,483	-476
Result before tax	23,386	-2,733	2,938	-70,539	-167,893
Taxation	-4,680	93	-545	14,094	34,662
Result after taxation	18,706	-2,640	2,393	-56,445	-133,231

5 FINANCIAL POSITION

The following compilation, based on the data from the balance sheet, can be used to analyse the financial position:

	3/31/2017		3/31/2016	
	€	%	€	%
ASSETS				
Fixed assets				
Tangible fixed assets	7,218	0.7	8,606	0.9
Current assets				
Inventories	585,399	56.4	526,397	54.2
Receivables, prepayments and accrued income	419,888	40.5	415,493	42.8
Cash and cash equivalents	24,767	2.4	20,604	2.1
	1,030,054	99.3	962,494	99.1
	1,037,272	100.0	971,100	100.0
EQUITY AND LIABILITIES				
Equity	-153,218	-14.8	-171,922	-17.7
Current liabilities	1,190,490	114.8	1,143,022	117.7
	1,037,272	100.0	971,100	100.0

The balance sheet can be summarized as follows:

	3/31/2017	3/31/2016
	€	€
Long term funds:		
Equity	-153,218	-171,922
Long term investments:		
Tangible fixed assets	7,218	8,606
Working capital	-160,436	-180,528

This shortage in working capital is applied as follows:

Current liabilities	1,190,490	1,143,022
Debit:		
Inventories	585,399	526,397
Receivables, prepayments and accrued income	419,888	415,493
Cash and cash equivalents	24,767	20,604
	1,030,054	962,494
Shortage in working capital	160,436	180,528

6 FISCAL POSITION

6.1 Taxable amount 2016/2017

The taxable amount for 2016/2017 has been calculated as follows:

	2016/2017	
	€	€
Result before taxes		23,386
Tax differences:		
Non-deductible expenses		12
Taxable amount 2016/2017		23,398

Corporate income tax calculation

The corporate income tax due amounts to:

	2016/2017
	€
20.0% of € 23,395	4,679

6.2 Investment allowance specification

Investment allowance can be claimed for certain tangible fixed asset investments.

6.3 Tax losses available for set-off

As per March 31, 2017 the compensable losses amount to € 219,064.
These losses can be compensated within a term of nine years with future fiscal profits.
For these offsettable losses a deferred tax claim has been included which has been valued at the nominal tax rate of 20%.

6.3.1 Offsettable losses

	Offsettable claim as of April 1, 2016	Utilized in 2016/2017	Offsettable claim as of March 31, 2017
	€	€	€
2012/2013	170,088	-23,399	146,689
2013/2014	70,219	-	70,219
2015/2016	2,156	-	2,156
	242,463	-23,399	219,064

6.4 Other items

Final corporate income tax returns have been imposed until the end of tax return year 2015/2016.

We will gladly provide further explanations upon request.

Sincerely yours,

DIELEMAN&SCHIPPER
Accountants en Fiscalisten

M. Vat
Accountant Administratieconsulent

FINANCIAL STATEMENTS 2016/2017

1 BALANCE SHEET AS AT MARCH 31, 2017

(after appropriation of the profit)

		March 31, 2017		March 31, 2016	
		€	€	€	€
ASSETS					
Fixed assets					
Tangible fixed assets	(1)				
Other fixed operating assets			7,218		8,606
Current assets					
Inventories	(2)				
Raw materials and consumables			585,399		526,397
Receivables, prepayments and accrued income	(3)				
Trade receivables		144,880		108,781	
Receivables from group companies		230,034		229,068	
Taxes and social securities		43,624		48,304	
Prepayments and accrued income		1,350		29,340	
			419,888		415,493
Cash and cash equivalents	(4)		24,767		20,604
			1,037,272		971,100

		March 31, 2017		March 31, 2016	
		€	€	€	€
EQUITY AND LIABILITIES					
Equity	(5)				
Issued share capital		18,000		18,000	
Other reserves		-171,218		-189,922	
			-153,218		-171,922
Current liabilities	(6)				
Trade creditors		38,759		20,665	
Amounts due to participants and to companies in which participation takes place		1,099,550		1,059,047	
Taxes and social securities		46,173		47,143	
Accruals and deferred income		6,008		16,167	
			1,190,490		1,143,022
			1,037,272		971,100

2 PROFIT AND LOSS ACCOUNT 2016/2017

		2016/2017		2015/2016	
		€	€	€	€
Nett turnover	(7,8)	1,516,511		2,336,818	
Cost price	(9)	1,430,539		2,159,652	
Gross margin			85,972		177,166
Expenses					
Wages and salaries	(10)	19,985		65,455	
Social security charges	(11)	2,842		10,568	
Pension costs	(12)	2,428		6,830	
Other personnel costs	(13)	8,776		5,919	
Amortisation and depreciation	(14)	1,388		2,387	
Other operating expenses	(15)	27,042		102,567	
			62,461		193,726
Operating result			23,511		-16,560
Financial income and expenses	(16)		-125		13,827
Result before tax			23,386		-2,733
Taxation	(17)		-4,680		93
Result after tax			18,706		-2,640

3 CASH FLOW STATEMENT 2016/2017

The cash flow statement has been prepared using the indirect method.

	2016/2017		2015/2016	
	€	€	€	€
Cash flow from operating activities				
Operating result	23,511		-16,560	
Adjustments for:				
Amortisation and depreciation	1,388		2,394	
Movement of working capital:				
Movement of accounts receivable	-4,395		-68,150	
Movement of inventories	-59,002		618,567	
Movement of short-term liabilities (excluding short-term part of long-term debts)	47,468		-563,297	
Cash flow from operating activities		8,970		-27,046
Interest paid	-125		13,827	
Corporate income tax (deferred tax debit)	-4,680		93	
		-4,805		13,920
Cash flow from operating activities		4,165		-13,126
Cash flow from investment activities				
Investments in tangible fixed assets	-		-2,842	
Disposal of intangible fixed assets	-		5,993	
Cash flow from investment activities		-		3,151
		4,165		-9,975

Compilation cash

	2016/2017		2015/2016	
	€	€	€	€
Compilation cash at April 1, 2015		20,604		30,578
Movement of cash and cash equivalents		4,163		-9,974
Cash and cash equivalents at March 31		24,767		20,604

4 NOTES TO THE FINANCIAL STATEMENTS

GENERAL

Activities

The activities of USHA Martin Europe B.V., with registered offices in Ridderkerk mainly consist of the following:
the sales and distribution centre for mainland Europe, concentrating our efforts in enhancing the efficiency of distributing USHA MARTIN GROUP product to our wide range of customers.

Registered address

The registered and actual address of USHA Martin Europe B.V. (CoC file 54932610) is Kerkeplaat 10 in Dordrecht.

GENERAL ACCOUNTING PRINCIPLES FOR THE PREPARATION OF THE ANNUAL ACCOUNTS

The annual accounts have been prepared in accordance with Title 9 Book 2 of the Dutch Civil Code. The annual accounts have been prepared based on the historical cost. Valuation of assets and liabilities and determination of the result takes place under the historical cost convention.

PRINCIPLES OF VALUATION OF ASSETS AND LIABILITIES

Tangible fixed assets

Tangible fixed assets are presented at acquisition price less cumulative depreciation and, if applicable, less impairments in value. Depreciation is based on the estimated useful life and calculated as a fixed percentage of cost, taking into account any residual value. Depreciation is provided from the date an asset comes into use. Sites are not depreciated.

Inventories

Inventories of raw materials, consumables and goods for resale are valued at average acquisition price (include purchase price and transportation expenses) or lower nett realizable value. The lower nett income value is determined by the individual assessment of the inventories.

Receivables and deferred assets

Upon initial recognition the receivables on and loans to participations and other receivables are valued at fair value and then valued at amortised cost, which equals the face value, after deduction of any provisions. The fair value and amortised cost equal the face value. Any provisions for the risk of doubtful debts are deducted. These provisions are determined based on individual assessment of the receivables.

Cash and cash equivalents

The cash is valued at face value. If cash equivalents are not freely disposable, then this has been taken into account in the valuation.

PRINCIPLES FOR THE DETERMINATION OF THE RESULT

General

The result is defined as the difference between the revenue from goods delivered and services performed on one hand and, on the other hand, the costs and expenses for that year, valued at historical costs.

Determination of the result

The result is determined based upon the difference between the nett turnover and the costs and other expenses taking into account the aforementioned valuation principles.

Nett turnover

The nett turnover consists of revenue from the sale of goods during the reporting period after deducting discounts, rebates and value added taxes.
Income from the sale of goods is accounted when the significant risks and rewards of ownership have been transferred to the buyer. The cost of these goods is accounted in the same period.

Cost price

The cost of sales consists of the cost of goods sold and delivered, consisting of direct use of materials, direct wages and machine costs and other direct and indirect production costs that can be attributed to the production.

Amortisation and depreciation

The depreciation on tangible fixed assets is calculated by using a fixed rate on the acquisition cost based on the expected life cycle. Gains and losses from the occasional sale of property, plant or equipment are included in depreciation.

Taxes

Corporate income tax is calculated at the applicable rate on the result for the financial year, taking into account permanent differences between profit calculated according to the annual account and profit calculated for taxation purposes, and with which deferred tax assets (if applicable) are only valued insofar as their realisation is likely.

PRINCIPLES FOR PREPARATION OF THE CASH FLOW STATEMENT

The cash flow statement has been prepared using the indirect method.

The funds in the cash flow statement consist of cash.

Cash flows in foreign currencies are converted at an estimated average rate.
Exchange rate differences concerning finances are shown separately in the cash flow statement.
Income and expenses related to interest, received dividend and profit taxes are included in the cash flow statement for operational activities. Dividend payments are included in the cash flow statement for financiation activities.

5 NOTES TO THE BALANCE SHEET AS OF MARCH 31, 2017

ASSETS

FIXED ASSETS

1. Tangible fixed assets

	Other fixed operating assets
	€
Carrying amount as of April 1, 2016	
Purchase price	12,278
Cumulative depreciation and impairment	-3,672
	8,606
Movement	
Depreciation	-1,388
Carrying amount as of March 31, 2017	
Purchase price	12,278
Cumulative depreciation and impairment	-5,060
	7,218

Depreciation rates	
	%
Other fixed operating assets	10-20

CURRENT ASSETS

2. Inventories

	3/31/2017	3/31/2016
	€	€
Raw materials and consumables		
Raw materials and consumables	246,766	518,817
Goods in transit	345,452	7,580
	592,218	526,397
Provision for raw materials and consumables	-6,819	-
	585,399	526,397

3. Receivables, prepayments and accrued income

Trade receivables		
Trade debtors	144,880	108,781
Receivables from group companies		
De Ruiter Staalkabel B.V.	218,854	203,613
USHA Martin UK Ltd.	11,180	25,455
	230,034	229,068
Taxes and social securities		
Corporate income tax (deferred tax debit)	43,624	48,304
Prepayments and accrued income		
Turnover to be invoiced	-	26,667
Prepaid operating expenses	1,350	2,673
	1,350	29,340

	3/31/2017	3/31/2016
	€	€
4. Cash and cash equivalents		
Rabobank EUR-account	24,613	20,407
Rabobank USD-account	-	59
Cash	154	138
	24,767	20,604

EQUITY AND LIABILITIES

5. Equity

	3/31/2017	3/31/2016
	€	€
Issued share capital		
Capital paid and called are 1,800 shares of face value € 10	18,000	18,000

The company's authorised share capital amounts to € 90,000 and consists of 9,000 shares of € 10 each. As at March 31th 2017, 1,800 shares have been called and paid up.

	2016/2017	2015/2016
	€	€
Other reserves		
Carrying amount as of April 1	-189,924	-187,282
Allocation of financial year nett result	18,706	-2,640
Carrying amount as of March 31	-171,218	-189,922

6. Current liabilities

	3/31/2017	3/31/2016
	€	€
Trade creditors		
Creditors	38,759	20,665
Amounts due to participants and to companies in which participation takes place		
Current account Usha Martin International Ltd.	640,000	640,000
Intercompany creditor USHA Martin UK Ltd.	459,181	419,047
Intercompany creditor De Ruiter Staalkabel B.V.	369	-
	1,099,550	1,059,047

	2016/2017	2015/2016
	€	€
Current account Usha Martin International Ltd.		
Carrying amount as of April 1	640,000	640,000
Movement	-	-
Carrying amount as of March 31	640,000	640,000

An interest rate of 0.00% has been calculated. The borrow may repay the capital in whole or in part at any time. The lender may demand the capital in part at any time.

Usha Martin International Limited will not claim repayment of the loans for as long as the board does not consider it justified for the liquidity position of Usha Martin Europe B.V.

	3/31/2017	3/31/2016
	€	€
Taxes and social securities		
Turnover tax	44,538	44,646
Pay-roll tax	1,635	2,497
	46,173	47,143

Accruals and deferred income		
Interest and bank charges	-	100
Accountancy costs	3,550	2,400
Transition fee	-	5,248
Holiday allowance	893	8,009
Other costs	1,565	410
	6,008	16,167

6 NOTES TO THE PROFIT AND LOSS ACCOUNT 2016/2017

7. Nett turnover

The revenues decreased in 2016/2017 compared to 2015/2016 with 35.1%.

	2016/2017	2015/2016
	€	€
8. Nett turnover		
Net turnover	1,516,511	2,336,818
9. Cost price		
Cost of sales	1,388,353	2,132,369
Transport costs	42,186	27,283
	1,430,539	2,159,652
10. Wages and salaries		
Gross wages	22,778	60,922
Holiday wages	3,784	6,084
Movement in vacation accruals	-6,577	-6,799
Transition fee	-	5,248
	19,985	65,455
11. Social security charges		
Wage taxes	2,842	10,568
12. Pension costs		
Pension costs	2,428	6,830
13. Other personnel costs		
Travelling expenses	776	5,785
Expense allowances	-	134
Recruitment	8,000	-
	8,776	5,919
14. Amortisation and depreciation		
Tangible fixed assets	1,388	2,394
Book result	-	-7
	1,388	2,387

	2016/2017	2015/2016
	€	€
Depreciation of tangible fixed assets		
Other fixed operating assets	1,388	2,394
Book result	-	-7
	1,388	2,387

15. Other operating expenses

Accomodation expenses	106	72,592
Operating costs	-	2,299
Office expenses	1,491	5,168
Car expenses	1,085	525
Selling and distribution expenses	47	891
General expenses	24,313	21,092
	27,042	102,567
Accomodation expenses		
Rent	-	66,473
Energy costs	-	2,500
Maintenance costs	-	452
Property tax	106	869
Cleaning costs	-	1,437
Security costs	-	183
Waste removal	-	678
	106	72,592
Operating costs		
Maintenance machinery and inventory	-	86
Expenses equipment	-	2,213
	-	2,299
Office expenses		
Office supplies	505	466
Printed matter	-	200
IT expenses	475	3,562
Telephone	511	586
Postage	-	318
Contributions and subscriptions	-	36
	1,491	5,168

	2016/2017	2015/2016
	€	€
Car expenses		
Fuels	-	337
Maintenance costs, hire, insurances, road taxes	1,085	188
	1,085	525
Selling and distribution expenses		
Advertising costs	-	301
Food and drinks expenses	47	590
	47	891
General expenses		
Audit & accountancy costs	4,294	7,119
HR / Payroll Services	570	345
Legal charges	106	727
Insurance	5,294	11,401
Service fee De Ruiter Staalkabel B.V.	14,050	1,500
Other general expenses	-1	-
	24,313	21,092

16. Financial income and expenses

Interest and similar expenses	-125	13,827

Interest and similar expenses

Interest - intercompany	-	4,285
Interest and costs of bank accounts	130	788
Exchange differences	-5	-18,900
	125	-13,827

17. Taxation

Movement of deferred tax assets	-4,680	93

Signing of the financial statements

Dordrecht, April ... 2017

The board of directors

On behalf of,

S. Jodhawat

Strategic Report, Report of the Directors and Financial Statements for the Year Ended 31 March 2017 for Usha Martin UK Ltd

Contents of the Financial Statements for the Year Ended 31 March 2017

DIRECTORS:	R Jhawar S Jodhawat P Scutt P K Jain
SECRETARY:	S Hood
REGISTERED OFFICE:	Sandy Lane Worksop Nottinghamshire S80 3ES
REGISTERED NUMBER:	03594781 (England and Wales)
AUDITORS:	Campbell Dallas LLP Chartered Accountants Statutory Auditors Titanium 1 King's Inch Place Renfrew PA4 8WF
BANKERS:	Barclays Bank Plc Aurora House 120 Bothwell Street Glasgow G2 7JT
SOLICITORS:	Harper Macleod LLP The Ca'D'oro 45 Gordon Street Glasgow G1 3PE

The directors present their strategic report for the year ended 31 March 2017.

REVIEW OF BUSINESS

The operating results and financial position of the company for the year can be seen in the annexed financial statements.

The Directors manage the company's operations on a unified basis with Usha Martin International Limited, its parent company. For this reason, the Directors believe that analysis using key performance indicators for the company is not necessary or appropriate for an understanding of the development, performance or position of the company. Further information regarding the development, performance and position of the business, in the context of Usha Martin International Limited Group as a whole, is provided within its Report of the Directors, which does not form part of this report.

PRINCIPAL RISKS & UNCERTAINTIES

From the perspective of the company, the principal risks and uncertainties are integrated with the principal risks and uncertainties of Usha Martin International Limited Group and are not managed separately. Accordingly, the principal risks and uncertainties of the group, which include those of the company, are discussed within the group's Report of the Directors, which does not form part of this report.

EMPLOYEES TRAINING & DEVELOPMENT

We have consistently sought to recruit and retain the best employees in our market place. Members of the management team regularly visit divisions and discuss matters of current interest and concern to the business with members of staff.

The company is committed to a policy of recruitment and promotion on the basis of aptitude and ability without discrimination of any kind.

RESEARCH AND DEVELOPMENT

Directors are expecting to continue their focus on developing more value added products to expand the product range offered to customers.

We continue to invest in the design and implementation of new technology in order to continuously improve our production systems and techniques. The directors regard this investment as essential to the continuing success of the company

FINANCIAL INSTRUMENTS

Our financial risk management objectives are to ensure sufficient working capital for the company. This is achieved through careful management of our cash resources, and by obtaining overdraft and loan finance where necessary. Other than this, the use of financial instruments is not material for the assessment of the assets, liabilities, financial position and profit of the company.

FUTURE DEVELOPMENTS

During the next 18-24 months, low crude oil prices will continue to have a significant impact on the sales revenue of the Group. However, Directors are confident that the Group will show improved performance during the next financial year despite difficult market conditions. Wherever necessary, the Group will consider capital expenditure to enhance operating performance.

ON BEHALF OF THE BOARD:

S Jodhawat - Director

Date: 17 May 2017

The directors present their report with the financial statements of the company for the year ended 31 March 2017.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of manufacturing and trading in steel wire rope and wire products and related value-added services. The company is a wholly owned subsidiary of Usha Martin International Limited, a company incorporated in the UK.

DIVIDENDS

No dividends will be distributed for the year ended 31 March 2017 (2016: £Nil).

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2016 to the date of this report.

R Jhawar
S Jodhawat
P Scutt
P K Jain

DISCLOSURE IN THE STRATEGIC REPORT

Information on research and development and future developments are given in the strategic report.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Campbell Dallas LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

S Jodhawat

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S Jodhawat - Director

Date: 17 May 2017

We have audited the financial statements of Usha Martin UK Ltd for the year ended 31 March 2017 on pages eight to twenty three. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page four, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Campbell Dallas LLP

Fraser Campbell (Senior Statutory Auditor)
for and on behalf of Campbell Dallas LLP
Chartered Accountants
Statutory Auditors
Titanium 1
King's Inch Place
Renfrew
PA4 8WF

Date: 17/5/17

Usha Martin UK Ltd

Income Statement
for the Year Ended 31 March 2017

	Notes	2017 £	2016 £
TURNOVER	3	24,675,290	28,966,051
Cost of sales		21,507,885	24,331,393
GROSS PROFIT		3,167,405	4,634,658
Administrative expenses		3,550,669	3,885,663
		(383,264)	748,995
Other operating income		16,874	16,882
OPERATING (LOSS)/PROFIT	5	(366,390)	765,877
Interest payable and similar expenses	6	161,832	185,678
(LOSS)/PROFIT BEFORE TAXATION		(528,222)	580,199
Tax on (loss)/profit	7	(111,292)	123,186
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		(416,930)	457,013

The notes form part of these financial statements

Other Comprehensive Income
for the Year Ended 31 March 2017

	Notes	2017 £	2016 £
(LOSS)/PROFIT FOR THE YEAR		(416,930)	457,013
OTHER COMPREHENSIVE INCOME			
Movement in deferred tax on property revaluation		-	6,872
Income tax relating to other comprehensive income		-	-
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX		-	6,872
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		(416,930)	463,885

The notes form part of these financial statements

Usha Martin UK Ltd (Registered number: 03594781)

Balance Sheet
31 March 2017

	Notes	2017 £	2017 £	2016 £	2016 £
FIXED ASSETS					
Assets under construction	8		-		150,622
Tangible assets	9		21,823,813		22,529,243
			21,823,813		22,679,865
CURRENT ASSETS					
Stocks	10	10,111,766		9,918,615	
Debtors	11	5,884,383		5,153,060	
Cash at bank		1,008,821		1,039,653	
		17,004,970		16,111,328	
CREDITORS					
Amounts falling due within one year	12	9,320,348		5,838,713	
NET CURRENT ASSETS			7,684,622		10,272,615
TOTAL ASSETS LESS CURRENT LIABILITIES			29,508,435		32,952,480
CREDITORS					
Amounts falling due after more than one year	13		(1,375,000)		(4,302,000)
PROVISIONS FOR LIABILITIES	17		(1,142,010)		(1,225,241)
ACCRUALS AND DEFERRED INCOME	18		(483,812)		(500,696)
NET ASSETS			26,507,613		26,924,543
CAPITAL AND RESERVES					
Called up share capital	19		3,850,000		3,850,000
Retained earnings	20		22,657,613		23,074,543
SHAREHOLDERS' FUNDS			26,507,613		26,924,543

The financial statements were approved by the Board of Directors on 17 May 2017 and were signed on its behalf by:

S Jodhawat

S Jodhawat - Director

The notes form part of these financial statements

Statement of Changes in Equity
for the Year Ended 31 March 2017

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 April 2015	3,850,000	22,610,658	26,460,658
Changes in equity			
Total comprehensive income	-	463,885	463,885
Balance at 31 March 2016	3,850,000	23,074,543	26,924,543
Changes in equity			
Total comprehensive income	-	(416,930)	(416,930)
Balance at 31 March 2017	3,850,000	22,657,613	26,507,613

The notes form part of these financial statements

1. STATUTORY INFORMATION

Usha Martin UK Ltd is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements
These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Financial reporting standard 102 - reduced disclosure exemptions
The company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows.

Significant judgements and estimates
The preparation of Financial Statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and assumptions are reviewed on an ongoing basis and revisions to estimates are recognised in the period in which the estimate is revised and in any future periods affected.

The directors are of the opinion there are no matters of significant judgement and estimation which are material to the financial statements.

Turnover
Turnover represents amounts derived from the provision of goods and services which fall within the company's ordinary activities after deduction of trade discounts and value added tax.

Intangible assets
Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	- 20% on reducing balance
Land & buildings	- 2% on cost
Plant and machinery	- at varying rates on cost
Fixtures and fittings	- at variable rates on reducing balance
Motor vehicles	- 25% on cost
Electronic equipment	- 25% on reducing balance

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2. ACCOUNTING POLICIES - continued

Stocks
Stocks and work in progress are stated at the lower of cost and net realisable value. Cost includes the purchase price of materials and other appropriate acquisition costs and overheads appropriate to the relevant stage of completion.Stock is valued on an average cost basis. Provision is made for obsolete or damaged stock based on an assessment of its condition, age and realisable value.

Taxation
Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that that have been enacted or substantively enacted by the balance sheet date.

Deferred tax
Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Research and development
Expenditure on research and development is written off in the year in which it is incurred, except that the development expenditure incurred on an individual project is carried forward when its future recoverability can be reasonably regarded as assured. Any expenditure carried forward is amortised in line with expected future sales from the related project.

Foreign currency
Certain transactions of the company are denominated in foreign currencies. These are converted into sterling using an average rate. Monetary assets and liabilities at the balance sheet date which are denominated in foreign currencies are translated at the rates ruling at that date. The translation differences are dealt with in the profit and loss account.

Pension costs and other post-retirement benefits
The cost in respect of providing defined contribution pensions is charged to the profit and loss account in the period in which it is incurred.

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2. ACCOUNTING POLICIES - continued

Financial instruments
Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument and are classified in accordance with their underlying economic reality. The Company has two main categories of financial instruments, which are loans and other receivables and other financial liabilities.

Loans and other receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Upon recognition, these assets are measured at fair value less directly related transaction expenses. In successive periods these are measured at amortised cost, and any differences between acquisition cost and redemption value is accounted for over the borrowing period by using the effective interest method. If transaction costs are immaterial and the credit period is short, amortised cost is equal to the nominal value less any allowance for credit losses.

Other financial liabilities
Other financial liabilities are recognised initially at fair value, net of transaction costs incurred. In successive periods these are measured at amortised cost. Any differences between acquisition cost and redemption value is accounted for over the borrowing period by using the effective interest method. If transaction costs are immaterial and the credit period is short, amortised cost is equal to the nominal value.

Impairment of financial instruments
A provision for impairment is established when there is objective evidence that, as a result of one or more events that occurred after the initial recognition, the estimated future cash flows have been impacted.

Government grants
Government grants based on capital expenditure are credited to the profit and loss account over the estimated useful life of the assets funded. Government grants of a revenue nature are credited to the profit and loss account in the same period as the related expenditure.

3. TURNOVER

The turnover and profit before tax are attributable to the manufacture, sales and services relating to wire rope and associated products.

In the opinion of the directors it would be prejudicial to the interests of the group and the company to provide an analysis of turnover by geographical market.

4. EMPLOYEES AND DIRECTORS

	2017	2016
	£	£
Wages and salaries	4,123,431	4,210,905
Social security costs	384,820	449,099
Other pension costs	104,124	119,819
	4,612,375	4,779,823

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4. EMPLOYEES AND DIRECTORS - continued

The average monthly number of employees during the year was as follows:

	2017	2016
Production	99	103
Administration, sales and distribution	50	59
	149	162

	2017	2016
	£	£
Directors' remuneration	-	-

5. OPERATING (LOSS)/PROFIT

The operating loss (2016 - operating profit) is stated after charging/(crediting):

	2017	2016
	£	£
Depreciation - owned assets	1,178,492	1,130,526
Profit on disposal of fixed assets	(6,844)	(3,898)
Auditors' remuneration	24,000	24,000
Foreign exchange differences	(99,926)	(60,702)
Rentals under operating leases - property rental	132,053	106,435

Auditors remuneration for non-audit services are not disclosed in these financial statements since the consolidated financial statements of its parent company, Usha Martin International Limited, are required to disclose information relating to fees for non-audit services on a consolidated basis.

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2017	2016
	£	£
Interest paid	161,832	185,678

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7. TAXATION

Analysis of the tax (credit)/charge
The tax (credit)/charge on the loss for the year was as follows:

	2017 £	2016 £
Current tax:		
UK corporation tax	-	(7,030)
Prior year over provision	(28,061)	-
Total current tax	(28,061)	(7,030)
Deferred taxation current year	(83,231)	130,216
Tax on (loss)/profit	(111,292)	123,186

Reconciliation of total tax (credit)/charge included in profit and loss
The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2017 £	2016 £
(Loss)/profit before tax	(528,222)	580,199
(Loss)/profit multiplied by the standard rate of corporation tax in the UK of 20% (2016 - 20%)	(105,644)	116,040
Effects of:		
Expenses not deductible for tax purposes	6,256	6,000
Income not taxable for tax purposes	(3,375)	-
Utilisation of tax losses	-	11,228
Adjustments to tax charge in respect of previous periods	(28,061)	(7,030)
Group relief	6,319	14,353
Non qualifying depreciation	44,677	33,997
Change of rate	(60,106)	(51,402)
Adjustment to tax charge in respect of previous periods - deferred tax	40,196	-
Chargeable gains/(losses)	(11,554)	-
Total tax (credit)/charge	(111,292)	123,186

Tax effects relating to effects of other comprehensive income

There were no tax effects for the year ended 31 March 2017.

continued...

7. TAXATION - continued

	2016		
	Gross	Tax	Net
	£	£	£
Movement in deferred tax on property revaluation	6,872	-	6,872
	6,872	-	6,872

The movement in respect of deferred tax has arisen as a result of the changes in the financial framework. Property which had previously been revalued is now included within the financial statements at deemed cost and deferred tax is provided thereon.

8. ASSETS UNDER CONSTRUCTION

	Assets under construction £
COST	
At 1 April 2016	150,622
Reclassification/transfer	(150,622)
At 31 March 2017	-
NET BOOK VALUE	
At 31 March 2017	-
At 31 March 2016	150,622

These costs are in respect of an expansion of the company's production facilities including property and plant and machinery.

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9. TANGIBLE FIXED ASSETS

	Improvements to property £	Land & buildings £	Rental equipment £	Plant and machinery £
COST				
At 1 April 2016	394,242	10,668,242	723,046	16,014,266
Additions	-	-	-	305,439
Disposals	-	-	-	(10,349)
Reclassification/transfer	-	-	-	150,662
At 31 March 2017	394,242	10,668,242	723,046	16,460,018
DEPRECIATION				
At 1 April 2016	156,893	850,844	703,887	3,649,345
Charge for year	2,599	220,787	-	921,617
Eliminated on disposal	-	-	-	(3,214)
At 31 March 2017	159,492	1,071,631	703,887	4,567,748
NET BOOK VALUE				
At 31 March 2017	234,750	9,596,611	19,159	11,892,270
At 31 March 2016	237,349	9,817,398	19,159	12,364,921

	Fixtures and fittings £	Motor vehicles £	Electronic equipment £	Totals £
COST				
At 1 April 2016	234,132	280,464	223,166	28,537,558
Additions	-	-	24,096	329,535
Disposals	-	-	-	(10,349)
Reclassification/transfer	-	-	-	150,662
At 31 March 2017	234,132	280,464	247,262	29,007,406
DEPRECIATION				
At 1 April 2016	190,156	242,573	214,617	6,008,315
Charge for year	199	10,977	22,313	1,178,492
Eliminated on disposal	-	-	-	(3,214)
At 31 March 2017	190,355	253,550	236,930	7,183,593
NET BOOK VALUE				
At 31 March 2017	43,777	26,914	10,332	21,823,813
At 31 March 2016	43,976	37,891	8,549	22,529,243

continued...

9. TANGIBLE FIXED ASSETS - continued

Tangible fixed assets includes capitalised interest of £244,639.

10. STOCKS

	2017	2016
	£	£
Finished goods	7,636,263	7,973,850
Raw materials	889,801	1,053,754
Work-in-progress	506,812	345,665
Goods in transit	1,078,890	545,346
	10,111,766	9,918,615

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Trade debtors	4,534,309	3,720,781
Due from group companies	1,128,268	1,103,424
Tax	28,062	19,167
VAT	48,253	-
Other debtors and prepayments	145,491	309,688
	5,884,383	5,153,060

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Bank loans and overdrafts (see note 14)	2,146,458	1,072,000
Trade creditors	3,246,292	2,799,950
Social security and other taxes	65,031	19,878
VAT	-	132,114
Owed to ultimate holding company	1,413,059	344,136
Owed to group companies	2,079,205	1,219,970
Other creditors and accruals	370,303	250,665
	9,320,348	5,838,713

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2017	2016
	£	£
Bank loans (see note 14)	1,375,000	4,302,000

continued...

14. LOANS

An analysis of the maturity of loans is given below:

	2017	2016
	£	£
Amounts falling due within one year or on demand:		
Bank loan - secured	500,000	1,072,000
Working capital facility	1,646,458	-
	2,146,458	1,072,000
Amounts falling due between one and two years:		
Bank loan - secured	1,375,000	1,072,000
Amounts falling due between two and five years:		
Bank loans	-	3,230,000

15. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2017	2016
	£	£
Within one year	135,475	139,413
Between one and five years	557,653	494,640
In more than five years	7,450,515	7,574,175
	8,143,643	8,208,228

16. SECURED DEBTS

The following secured debts are included within creditors:

	2017	2016
	£	£
Bank loans	3,521,458	5,374,000

The bank loan includes a £1,875,000 asset finance loan secured over plant & machinery. The balance of £1,646,458 is secured by a charge over trade debtors and by a fixed and floating charge over the assets of the company.

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17. PROVISIONS FOR LIABILITIES

	2017	2016
	£	£
Deferred tax	1,142,010	1,225,241

	Deferred tax
	£
Balance at 1 April 2016	1,225,241
Movement	(83,231)
Balance at 31 March 2017	1,142,010

Deferred tax is in respect of accelerated capital allowances and property revaluation.

18. ACCRUALS AND DEFERRED INCOME

Deferred government grant

	£
At 1 April 2016	500,696
Release to profit & loss account	(16,874)
At 31 March 2017	483,822
Due within one year	16,884
Due after one year	466,948

19. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2017 £	2016 £
3,850,000	Ordinary	£1	3,850,000	3,850,000

continued...

20. RESERVES

	Retained earnings £
At 1 April 2016	23,074,543
Deficit for the year	(416,930)
At 31 March 2017	22,657,613

Included within total retained earnings above are non-distributable reserves of £501,928 (2016: £487,339).

21. CONTINGENT LIABILITIES

At 31 March 2017, there were bank guarantees held at Barclays Commercial Bank amounting to £100,250 (2016: £114,696) in respect of performance bonds and other obligations.

The company were awarded grant income in 2013. Should the company no longer meet the conditions set out in the grant offer from the date of offer until 2019, part of the grant may become repayable.

22. OTHER FINANCIAL COMMITMENTS

The company have entered into forward foreign exchange contracts at the year end totalling £936,170 (2016: £555,555) in order to mitigate the effect of movements in foreign exchange. These expire within three months of the year end.

23. RELATED PARTY DISCLOSURES

The company has taken advantage of the exemption granted by paragraph 3(C) of Financial Reporting Standard Number 8 not to disclose transactions with group companies that are related parties.

24. PENSION CONTRIBUTIONS

The company made payments to employees defined contribution pension schemes. The pension costs charged during the period under review amounted to £104,124 (2016: £119,819).

25. IMMEDIATE AND ULTIMATE PARENT UNDERTAKINGS

The company's immediate parent company is Usha Martin International Limited, a company incorporated in Great Britain and registered in England & Wales.

Usha Martin Limited, a company incorporated in India, is the ultimate parent undertaking. Copies of the accounts of the ultimate parent undertaking may be obtained by writing to the Company Secretary at Usha Martin Limited, 2A, Shakespeare Sarani, Kolkata 700 071, India.

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26. FINANCIAL RISK MANAGEMENT

The company has exposures to three main areas of risk - foreign exchange currency exposure, liquidity risk and interest rate risk.

Foreign exchange transactional currency exposure
The company is exposed to currency exchange rate risk due to a significant proportion of its receivables, payables and operating expenses being dominated in non-Sterling currencies. The net exposure of each currency is monitored and managed by the use of forward foreign exchange contracts or overdraft facility. The forward foreign exchange contracts all mature within 12 months.

Liquidity risk
The objective of the company in managing liquidity risk is to ensure that it can meet its financial obligations as and when they fall due. The group expects to meet its financial obligations through operating cash flows. In the event that the operating cash flows would not cover all the financial obligations, the company has credit facilities available. Given the maturity of the bank loan in note 13, the company is in a position to meet its commitments and obligations as they fall due.

Interest rate risk
The company borrows from its bankers using either overdrafts or term loans whose tenure depends on the nature of the asset and management's view of the future direction of interest rate.

Usha Martin UK Ltd

Trading and Profit and Loss Account
for the Year Ended 31 March 2017

	2017		2016	
	£	£	£	£
Sales		24,675,290		28,966,051
Cost of sales				
Opening stock	9,918,615		10,903,880	
Purchases wire rope & other items	16,156,147		17,810,263	
Shipping	616,910		866,853	
Sales commissions	25,598		60,890	
Salaries and wages	3,209,302		3,014,251	
Social security	227,686		242,397	
Pensions	51,795		67,175	
Local transport	268,594		208,430	
Depreciation of tangible fixed assets	1,145,004		1,075,869	
	31,619,651		34,250,008	
Closing stock	(10,111,766)		(9,918,615)	
		21,507,885		24,331,393
GROSS PROFIT		3,167,405		4,634,658
Other income				
Grant release		16,874		16,882
		3,184,279		4,651,540
Expenditure				
Insurance	116,744		171,119	
Wages and salaries	914,129		1,196,654	
Social Security Costs	157,134		206,702	
Pensions	52,329		52,644	
Telephone and fax	29,302		24,062	
Stationery	3,344		2,500	
Travel and hotel expenses	31,207		34,289	
Motor expenses	542		2,701	
Repairs & maintenance	201,096		190,421	
Property expenses	733,064		701,635	
Factory consumables	42,039		45,580	
Equipment hire	131,421		138,656	
General expenses	342,703		139,756	
Legal and professional fees	23,546		46,362	
Management charges	826,256		919,040	
Auditors' remuneration	24,000		24,000	
Foreign exchange movement	(99,926)		(60,702)	
Entertainment	1,279		4,523	
Carried forward	3,530,209	3,184,279	3,839,942	4,651,540

This page does not form part of the statutory financial statements

Usha Martin UK Ltd

Trading and Profit and Loss Account
for the Year Ended 31 March 2017

	2017		2016	
	£	£	£	£
Brought forward	3,530,209	3,184,279	3,839,942	4,651,540
Bad debts	(30,065)		(22,585)	
		3,500,144		3,817,357
		(315,865)		834,183
Finance costs				
Bank charges	23,881		17,546	
Interest paid	161,832		185,678	
		185,713		203,224
		(501,578)		630,959
Depreciation				
Depreciation		33,488		54,658
		(535,066)		576,301
Profit on disposal of fixed assets				
Plant and machinery		6,844		3,898
NET (LOSS)/PROFIT		(528,222)		580,199

This page does not form part of the statutory financial statements

Report of the Director and

Financial Statements

for the Year Ended 31 March 2017

for

Brunton Shaw UK Limited

Contents of the Financial Statements for the Year Ended 31 March 2017

DIRECTOR:	S Jodhawat
SECRETARY:	S Hood
REGISTERED OFFICE:	Sandy Lane Worksop Nottinghamshire S80 3ES
REGISTERED NUMBER:	04069323 (England and Wales)
SENIOR STATUTORY AUDITOR:	Fraser Campbell
AUDITORS:	Campbell Dallas LLP Chartered Accountants Statutory Auditors Titanium 1 King's Inch Place Renfrew PA4 8WF

The director presents his report with the financial statements of the company for the year ended 31 March 2017.

CESSATION OF TRADING

The company ceased trading on 30 September 2005.

PRINCIPAL ACTIVITY

The company did not trade during the period under review.

DIRECTOR

S Jodhawat held office during the whole of the period from 1 April 2016 to the date of this report.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Strategic Report, the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Campbell Dallas LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

S Jodhawat

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S Jodhawat - Director

Date: 17 May 2017

We have audited the financial statements of Brunton Shaw UK Limited for the year ended 31 March 2017 on pages six to eight. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of director and auditors
As explained more fully in the Statement of Director's Responsibilities set out on page two, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements
An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the director; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Director to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements
In our opinion the financial statements:
- give a true and fair view of the state of the company's affairs as at 31 March 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006
In our opinion the information given in the Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the director was not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Director.

Fraser Campbell (Senior Statutory Auditor)
for and on behalf of Campbell Dallas LLP
Chartered Accountants
Statutory Auditors
Titanium 1
King's Inch Place
Renfrew
PA4 8WF

Date: 17/5/17

Brunton Shaw UK Limited

Income Statement
for the Year Ended 31 March 2017

	Notes	2017 £	2016 £
TURNOVER		-	-
OPERATING PROFIT and PROFIT BEFORE TAXATION		-	-
Tax on profit		-	-
PROFIT FOR THE FINANCIAL YEAR		-	-

The notes form part of these financial statements

Brunton Shaw UK Limited (Registered number: 04069323)

Balance Sheet
31 March 2017

	Notes	2017 £	2016 £
CURRENT ASSETS			
Debtors	3	1	1
TOTAL ASSETS LESS CURRENT LIABILITIES		1	1
CAPITAL AND RESERVES			
Called up share capital		1	1
SHAREHOLDERS' FUNDS		1	1

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the director on 17 May 2017 and were signed by:

S Jodhawat

S Jodhawat - Director

The notes form part of these financial statements

1. STATUTORY INFORMATION

Brunton Shaw UK Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements
These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

3. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Amounts owed by group undertakings	1	1

Brunton Shaw UK Limited

Profit and Loss Account
for the Year Ended 31 March 2017

	2017		2016	
	£	£	£	£
Income		-		-
NET PROFIT		-		-

This page does not form part of the statutory financial statements

Report of the Director and

Financial Statements

for the Year Ended 31 March 2017

for

European Management & Marine Corporation Limited

European Management & Marine Corporation Limited

Contents of the Financial Statements for the Year Ended 31 March 2017

DIRECTOR:	S Jodhawat
SECRETARY:	S Hood
REGISTERED OFFICE:	Howe Moss Place Kirkhill Industrial Estate Dyce Aberdeen AB21 0GS
REGISTERED NUMBER:	SC163635 (Scotland)
SENIOR STATUTORY AUDITOR:	Fraser Campbell
AUDITORS:	Campbell Dallas LLP Chartered Accountants & Statutory Auditors Titanium 1 King's Inch Place Renfrew PA4 8WF

The director presents his report with the financial statements of the company for the year ended 31 March 2017.

CESSATION OF TRADING

The company ceased trading on 30 September 2005.

PRINCIPAL ACTIVITY

The company did not trade during the period under review.

DIRECTOR

S Jodhawat held office during the whole of the period from 1 April 2016 to the date of this report.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Strategic Report, the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Campbell Dallas LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

S Jodhawat

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S Jodhawat - Director

Date: 17 May 2017

We have audited the financial statements of European Management & Marine Corporation Limited for the year ended 31 March 2017 on pages six to eight. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of director and auditors

As explained more fully in the Statement of Director's Responsibilities set out on page two, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the director; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Director to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the director was not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Director.

Fraser Campbell (Senior Statutory Auditor)
for and on behalf of Campbell Dallas LLP
Chartered Accountants &
Statutory Auditors
Titanium 1
King's Inch Place
Renfrew
PA4 8WF

Date: 17/5/17

European Management & Marine Corporation Limited

Income Statement
for the Year Ended 31 March 2017

	Notes	2017 £	2016 £
TURNOVER		-	-
OPERATING PROFIT and PROFIT BEFORE TAXATION		-	-
Tax on profit		-	-
PROFIT FOR THE FINANCIAL YEAR		-	-

The notes form part of these financial statements

European Management & Marine Corporation Limited (Registered number: SC163635)

Balance Sheet
31 March 2017

	Notes	2017 £	2016 £
CURRENT ASSETS			
Debtors	3	1	1
TOTAL ASSETS LESS CURRENT LIABILITIES		1	1
CAPITAL AND RESERVES			
Called up share capital		1	1
SHAREHOLDERS' FUNDS		1	1

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the director on 17 May 2017 and were signed by:

S Jodhawat

S Jodhawat - Director

The notes form part of these financial statements

1. STATUTORY INFORMATION

European Management & Marine Corporation Limited is a private company, limited by shares, registered in Scotland. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

3. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Amounts owed by group undertakings	1	1

European Management & Marine Corporation Limited

Profit and Loss Account
for the Year Ended 31 March 2017

	2017		2016	
	£	£	£	£
Income		-		-
NET PROFIT		-		-

This page does not form part of the statutory financial statements