CARE RATINGS (AFRICA) PRIVATE LIMITED

Audited Financial Statements

For the year ended March 31, 2016

CARE RATINGS (AFRICA) PRIVATE LIMITED
TABLE OF CONTENTS

		Date of Appointment	Date of Resignation
Directors	Abhinav SHARMA	12-Dec-14	30-Mar-16
	Bilal Ibrahim SASSA	12-Dec-14	-
	Rajesh Ramchandra MOKASHI	16-Feb-15	-
	Desh Raj DOGRA	16-Feb-15	-
	Saurav Chatterjee	30-Mar-16	-

Secretary

International Proximity Management Services Ltd
Ebene Esplanade
24, Bank Street, Cybercity
Ebene, Mauritius

Registered Office

1st Floor, MTML Square
63, Cybercity, Ebene

Auditors

Aejaz Nazir Associates & Co
18, Dr. Auguste Rouget Street
Port-Louis, Mauritius

Banker

SBI (Mauritius) Ltd
SBI Tower Mindspace
45, Bhumi Park
Ebene, Mauritius

Commentary of the directors to the shareholders of Care Ratings (Africa) Private Limited

The directors present their report and the audited financial statements of Care Ratings (Africa) Private Limited for the year ended March 31, 2016.

Principal activities

The principal activity of the company is to operate as a credit rating agency and is liccensed by the Financial Services Commission.

Results and dividend

The results for the year ended March 31, 2016 are shown on page 7. The directors did not recommend any payment of dividend for the period under review.

Statement of directors' responsibilities in respect of the financial statements

The company's directors are responsible for the preparation and fair presentation of the financial statements, comprising the statement of financial position as at March 31, 2016, statement of comprehensive income, statement of changes in net assets attributable to holders of participating shares, and statement of cash flows for the period then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards and the Mauritius Companies Act 2001.

The directors' responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of these financial statements that are free from material misstatement, whether due to fraud and error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

The directors have made an assessment of the company's ability to continue as going concern and have no reason to believe that the business will not be going concern in the period ahead.

Directors' interests

(a) As at March 31, 2016, the company had a service agreement with only one of its directors. Remuneration paid for the period under review amounts to Rs. 1,955,500.

(b) None of the directors have any interests either beneficial or non-beneficial, in the share capital of the company.

....	....
Saurav Chatterjee	**Bilal Ibrahim SASSA**

Date:

CERTIFICATE FROM THE COMPANY SECRETARY UNDER SECTION 166(d) OF THE COMPANIES ACT 2001

We certify that, to the best of our knowledge and belief, we have filed with the Registrar of Companies all such returns as are required of **Care Ratings (Africa) Private Limited** under the Mauritius Companies Act 2001 for the financial year ended March 31, 2016.

....

International Proximity
Secretary

Date:

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
CARE RATINGS (AFRICA) PRIVATE LIMITED

AEJAZ NAZIR
ASSOCIATES & CO
CHARTERED CERTIFIED ACCOUNTANTS

Report on the Financial Statements

We have audited the accompanying financial statements of the Company, which comprise the statement of financial position as at March 31, 2016, the statement of comprehensive income, statement of changes in equity, statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Directors' responsibilities for the Financial Statements

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company to enable them to ensure that the accounts comply with the Companies Act 2001 and International Accounting Standards. 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. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

This report is made solely to the company's members, as a body, in accordance with section 205 of the Companies Act 2001. 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 an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Auditor's responsibilities

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by directors in the preparation of financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations, which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatements. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

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

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
CARE RATINGS (AFRICA) PRIVATE LIMITED

AEJAZ NAZIR
ASSOCIATES & CO
CHARTERED CERTIFIED ACCOUNTANTS

Basis of opinion

Financial Statements

In our opinion, the financial statements on pages 7 to 19 give a true and fair view of the financial statements of the Company as at March 31, 2016, and of its financial performance and its cash flows for the period ended in accordance with International Financial Reporting Standards and the requirements of the Mauritius Companies Act 2001.

Other Legal and Regulatory Requirements

In accordance with the requirements of the Mauritius Companies Act 2001, we report as follows:

- We have no relationship with, or any interests in, the Company other than our capacity as auditors.
- We have obtained all the information and explanations that we have required; and
- In our opinion, proper accounting records have been kept by the Company as far as appears from our examination of these records.

Other Matters

This report is made solely to the member of the Company as a body in accordance with Section 205 of the Mauritius Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's members those matters that we are required to state to it in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's member as a body, for our audit work or for the opinion we have found.

....
AEJAZ NAZIR ASSOCIATES & CO
Chartered Certified Accountants

....
Aejaj Nazir FCCA MIPA
Licensed by the FRC

Date:
Port - Louis, Mauritius

CARE RATINGS (AFRICA) PRIVATE LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2016

	Notes	2016 Rs.	2015 Rs.
Revenue	9	100,000	-
Foreign exchange gain		10,946	-
		110,946	-
Expenses			
Salaries		3,259,606	493,595
Rent		332,206	-
Marketing and promotion		787,093	-
Regulatory and other fees		125,500	-
Audit fees		51,750	-
Secretarial fees		52,350	-
Computer expenses		46,071	-
Other staff costs		290,757	-
Sundry expenses		33,448	-
Internet charges		22,000	-
Insurance		16,808	-
Depreciation		11,671	-
Electricity		9,159	-
Legal & professional fees		5,760	211,976
Bank charges		7,885	546
Total expenses		**5,052,065**	**706,117**
Total comprehensive loss for the year		**(4,941,119)**	**(706,117)**

The notes on pages 11 to 19 form part of these accounts.
Independent Auditor's report on pages 5 and 6.

ASSETS	Notes	2016 Rs.	2015 Rs.
Non current assets			
Property, plant & equipment	10	72,357	-
Current assets			
Trade and other receivables	11	95,862	-
Cash resources	12	713,329	1,341,963
Total current assets		**809,191**	**1,341,963**
Total assets		**881,548**	**1,341,963**
EQUITY AND LIABILITIES			
Equity			
Stated capital	13	3,756,747	2,012,620
Revenue deficit		(5,647,235)	(706,117)
Share application monies		700,373	-
Total equity		**(1,190,115)**	**1,306,503**
Current liabilities			
Trade and other payables	14	2,071,663	35,460
Total equity and liabilities		**881,548**	**1,341,963**

These accounts have been approved by the board of directors on

Names of Signatories	Signatures
1. Saurav Chatterjee	....
2. Bilal Ibrahim SASSA	....

The notes on pages 11 to 19 form part of these accounts.
Independent Auditor's report on pages 5 and 6.

CARE RATINGS (AFRICA) PRIVATE LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2016

	Stated Capital	Revenue Deficit	Shareholders' Equity
	Rs.	Rs.	Rs.
Share capital introduced	2,012,620	-	2,012,620
Total comprehensive loss for the period	-	(706,117)	(706,117)
Balance at 31 March 2015	**2,012,620**	**(706,117)**	**1,306,503**
Share capital issued during the year	1,744,128	-	1,744,128
Total comprehensive loss for the year	-	(4,941,119)	(4,941,119)
Balance at 31 March 2016	**3,756,747**	**(5,647,235)**	**(1,890,488)**

The notes on pages 11 to 19 form part of these accounts.

Independent Auditor's report on pages 5 and 6.

CARE RATINGS (AFRICA) PRIVATE LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2016

	Notes	2016	2015
		Rs.	Rs.
Operating activities			
Loss for the year		(4,941,119)	(706,117)
Adjustment for:			
Net movement before working capital changes			
Depreciation		11,671	-
Trade and other receivables		(95,862)	-
Trade and other payables		2,036,203	35,460
Net cash flow from operating activities		**(2,989,107)**	**(670,657)**
Investing activities			
Purchase of property, plant and equipment		(84,028)	
Financing activities			
Share application monies		700,373	-
Proceeds from issue of share capital		1,744,128	2,012,620
		2,444,501	**2,012,620**
Net movement during year/period	12	**(628,634)**	**1,341,963**
Balance at start of year/period		1,341,963	-
Balance at end of year/period		**713,329**	**1,341,963**

The notes on pages 11 to 19 form part of these accounts.
Independent Auditor's report on pages 5 and 6.

1. GENERAL INFORMATION

Care Ratings (Africa) Private Limited ("the Company") was incorporated under the laws of Mauritius on 12 December 2014 as a private company limited by shares.The Company holds Credit Rating Agency Licence issued by the Financial Services Commission.

The main activity of the Company is to act as a credit rating agency.

2. BASIS OF PREPARATION

(a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs).

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for financial instruments valued in compliace with applicable accounting standards.

The methods used to measure fair values, wherever applicable, are discussed further in note 3.

(c) Functional and presentation currency

These financial statements are presented in Mauritian Rupees ("MUR"), which is the company's functional and presentation currency.

(d) Use of estimates and judgements

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income or expenses. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

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

(e) Going concern

Management have made an assessment of the Company's ability to continue as a going concern and is satisfied that the Company has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

(f) Determination of fair value

Information about determination of fair values and valuation of financial instruments are described in note 3.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed 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 carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

3.2 Financial Instruments

Financial assets

(a) Classification

Financial assets are classified as financial assets at fair value through profit and loss, loans receivables and available for sale assets. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of financial assets at initial recognition.

The only financial assets of the Company for the year under review are cash balances held with a bank.

(b) Recognition, derecognition and measurement

Regular purchases and sales of financial assets are recognised on the trade date - the date on which the Company commits to purchase or sell the asset. Investments are initially recognized at fair value plus transactions costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss, are initially recognized at fair value and transaction costs are expensed in the income statement.

Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

Impairment of financial assets

The Company assesses at each reporting date, whether there is any objective evidence that any financial asset or group of financial asset is impaired.

A financial asset or group of financial asset is deemed to be impaired if and only if there is objective evidence of impairment as a result of one or more event that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows on the financial asset or group of financial asset that can reliably be estimated.

Evidence of impairment may include indication that the debtors or group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization and when observable data indicate that there is a decrease in the estimated future cash flows such as changes in arrears or economic conditions that correlate with defaults.

Any loss in the value of an asset held at amortized cost is recognized in the income statement.

Financial liabilities

Financial liabilities permitted to be designated on initial recognition as being at fair value through profit or loss are recognized at fair value, with transaction costs being recognized in profit or loss and are subsequently measured at fair value. Gains and losses on the financial liabilities designated as at fair value through profit or loss are recognized in profit or loss as they arise.

Interest on any financial liability instruments are recognized as finance cost in the income statement.

Other financial assets & liabilities

(a) Trade receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables.

The amount of provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of provision is recognized in the statement of comprehensive income.

(b) Other receivables

Fees and other receivables are non-derivative financial assets with fixed or determinable payments. After initial measurement, such financial assets are subsequently measured at cost less impairment.

3.3 Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds.

3.4 Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash on hand and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

3.5 Current and deferred income tax

Current income tax liability and deferred tax are provided based on regulations in place in Mauritius.

Deferred income tax is provided in full, using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates that have been enacted by the end of the reporting period and are expected to apply in the period when the related deferred income tax asset is realised or the deferred tax liability is settled.

The principal temporary differences arise from depreciation on investments in properties and property, plant and equipment, provision for bad debts, retirement benefit obligations, and tax losses carried forward. Deferred tax assets relating to the carry forward of unused tax losses are recognised to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

3.6 Foreign currency

Functional and presentation currency

The financial statements are presented in Mauritian Rupees (MUR), which is the Company's functional and presentation currency. Management considers this currency to be its functional currency as its funds are generated in MUR and most faithfully reflects its business model.

Transactions and balances

Foreign currency transactions are translated using the exchange rates prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of comprehensive income.

3.7 Provisions & contingent liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, which it is probable, will result in outflow of resources that can be reasonably estimated. Where the company expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligations disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

3.8 Revenue recognition

Provided the amount of revenue can be measured reliably and it is probable that the company will receive any consideration, revenue sale is recognized in the period in which the services are rendered.

3.9 Expenditure

All expenditure has been accounted on accrual basis.

3.10 Related parties

Related parties are individuals and enterprises where the individual or enterprise has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions.

3.11 Dividend Distribution

Dividend distribution to shareholders is recognised in the financial statements in the period in which the dividends are declared.

4. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

New and amended standards and interpretations

The accounting policies adopted are consistent with those used in the previous financial year, except for the following new and amended IFRS and IFRIC interpretations effective during that period and applicable at April 01, 2015.

New or revised standards, amendments and interpretations

Defined Benefit Plans: Employee Contributions (Amendments to IAS 19)
Annual improvements for 2010 - 2012 Cycle
Annual improvements for 2011 - 2013 Cycle

Standards, amendments and Interpretations issued but not yet effective

IFRS 9 Financial Instruments (2009)
IFRS 9 Financial Instruments (2010)
IFRS 9 Financial Instruments (Hedge Accounting and amendments to IFRS 9, IFRS 7 and IAS 39) (2013)
IFRS 9 Financial Instruments (2014)
IFRS 14 Regulatory Deferral Accounts

IFRS 15 Revenue from Contracts with Customers
IFRS 16 Leases
Accounting for Acquisitions of Interests in Joint Operations (Amendments to IFRS 11)
Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to IAS 16 and IAS 38)
Agriculture: Bearer Plants (Amendments to IAS 16 and IAS 41)
Equity Method in Separate Financial Statements (Amendments to IAS 27)
Sale of Contribution of Assets between an investor and its associate or joint venture (Amendments to IFRS 10 and IAS 28)
Annual Improvement 2012 - 2014 Cycle
Disclosure initiative (Amendments to IAS 1)
Investments Entities: Applying the Consolidation Exception (Amendments to IFRS 10, IFRS 12 and IAS 28)
Recognition of Deferred Tax Assets for Unrealised Losses (Amendments to IAS 12)
Disclosure initiative (Amendments to IAS 7)

5. CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires the directors to make judgements, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities at the end of the reporting period.

However uncertainty about these assumptions could result in outcome that could reproduce a material adjustment to the carrying amount of the asset or liability affected in future periods.

The only estimate relate to the depreciation of property, plant and equipment which is based on the useful economic life of the asset.

6. FINANCIAL RISK MANAGEMENT

The Company's activities expose itself to a variety of financial risks. In order to understand and address the various risk factors, Management has analysed its risk profile as follows:

Credit risk

Credit risk refers to the risk of default on its obligations by the counterparty resulting in financial loss. The main financial assets exposed to credit risks are balances held with banking institutions and amounts due from clients for services rendered.

Management has established mechanisms to ensure that any default be prompty identified and appropriate actions taken. At present, Management does not consider the risks associated to trade receivables and banks to be significant.

Exposure as at 31 March as regards financial assets is shown below:

	2016 Rs.	2015 Rs.
Cash resources	713,329	1,341,963

Management regularly reviews the nature of all balances exposed to credit risk by taking into account the repayment history, repayment ability and full use is made of market information for such assessments.

Liquidity risk

Liquidity risk refers to the risk that the Company may not be able to meet its obligations when they fall due. Expected cash flows are used as a prime basis for the assessment of liquidity positions at regular intervals.

Financial liabilities with relevant maturity periods are shown below:

Trade and other payables	< 1 year Rs.	1 < 3 years Rs.	3 - 5 years Rs.	>5 years Rs.	Total Rs.
2016	2,071,663	-	-	-	2,071,663
2015	35,460	-	-	-	35,460

The Directors do not consider this risk to be material.

Market risk

This is further split into foreign currency, equity price and interest rate risks as described below.

Foreign currency risk

This is the risk of fluctuations in fair values or future cash flows of financials instruments because of foreig currency changes. The Directors do not condider this risk to be material.

Equity price risk

This refers to the unfavourable changes in fair values of equities as a result of changes in the value of shares. The Company currently does not hold any shares in entities and as such not exposed to this risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Company's exposure to the risk of changes in the market interest rate relates primarily to the bank balances with floating interest rate. The Directors does not consider the impact of interest risk to be material.

7. CAPITAL RISK MANAGEMENT

The Company has been incorporated with capital contributed by its shareholder. The Company's objective is to safeguard the existing capital base and keep the Company as a going concern with a sound financial base to support its activities and maximise shareholder value. The company manages its capital structure through dividend distributions and/or new issue of shares as and when required.

8. FAIR VALUE ESTIMATION

The nominal value less estimated credit adjustments of trade payables are assumed to approximate their fair value. Directors do not consider any other assets or liabilities to be subject to fair value estimation for the year/period ending March 31, 2016 and 2015.

9 REVENUE

Income represent fees received from client during the year for services rendered.

10. PROPERTY, PLANT & EQUIPMENT

	Computer Equipment
	Rs.
Cost	
Addition during the year	84,028
Depreciation	
Charge for the year	11,671
Net book value at March 31, 2016	**72,357**

11. TRADE AND OTHER RECEIVABLES

	2016	2015
	Rs.	Rs.
Deposits	67,500	-
Prepayments	28,362	-
	95,862	-

12. CASH RESOURCES

	2016	2015
	Rs.	Rs.
Cash at bank	713,329	1,341,963

13. STATED CAPITAL

	2016	2015
	Rs.	Rs.
Ordinary Shares - Issued and fully paid up		
Balance at start of year/period	2,012,620	2,012,620
Share capital issued during the year	1,744,128	-
Balance at end of year/period	**3,756,747**	**2,012,620**

14. TRADE & OTHER PAYABLES

	2016	2015
	Rs.	Rs.
Accruals	997,709	35,460
Amount due to shareholder - Credit Analysis & Research Ltd	1,073,954	-
	2,071,663	**35,460**

15. EVENTS AFTER THE REPORTING PERIOD

There were no events which arose after the reporting period which required adjustment to the financial statements.