



FIDUCIAIRE  
DEUBER & BEURET SA

révision  
comptabilité  
succession  
fiscalité  
immobilier

**PYLANIA SA**

**Grandval**

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**Report of the statutory auditors**

**On the financial statements per**

**31 March 2017**



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**Report of the statutory auditors on the limited statutory examination to the general meeting of Kamla International Holdings SA, Grandval**

As statutory auditors, we have examined the financial statements (balance sheet, income statement and notes) of Kamla International Holdings SA for the year ended 31 March 2017.

These financial statements are the responsibility of the board of directors. Our responsibility is to perform a limited statutory examination on these financial statements. We confirm that we meet the licensing and independence requirements as stipulated by Swiss law.

We conducted our examination in accordance with the Swiss Standard on the Limited Statutory Examination. This standard requires that we plan and perform a limited statutory examination to identify material misstatements in the financial statements. A limited statutory examination consists primarily of inquiries of company personnel and analytical procedures as well as detailed tests of company documents as considered necessary in the circumstances. However, the testing of operational processes and the internal control system, as well as inquiries and further testing procedures to detect fraud or other legal violations, are not within the scope of this examination.



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Based on our limited statutory examination, nothing has come to our attention that causes us to believe that the financial statements do not comply with Swiss law and the company's articles of incorporation.

Cortailod, 12<sup>th</sup> Mai 2017

Thierry Beuret  
Swiss certified fiduciary  
Licensed audit expert  
Auditor in charge

Edwin Deuber  
Swiss Certified Accountant  
Licensed audit expert

**Enclosures :** Financials statements (balance sheet, income statement and notes)

# PYLANIA SA

ASSETS	31.03.2017 CHF	31.03.2016 CHF
<b><u>NON-CURRENT ASSETS</u></b>		
<b><u>Tangible assets</u></b>		
Land	80'000.00	80'000.00
Building and Surrounding	464'208.00	488'640.00
Infrastructure and Facilities	74'160.00	92'700.00
Machines, Equipment, Furniture	313'826.08	320'000.00
Vehicles	4'480.00	6'400.00
EDP Hard -und Software	6'510.00	9'300.00
<u>Total tangible assets</u>	<b>943'184.08</b>	<b>997'040.00</b>
<b><u>CURRENT ASSETS</u></b>		
<b><u>Liquid Funds</u></b>		
Banks accounts	93'941.70	7'524.41
<u>Total Liquid Funds</u>	<b>93'941.70</b>	<b>7'524.41</b>
<b><u>Trade receivables</u></b>		
Third parties	76'877.80	2'400.00
Intercompany	642'687.92	100'890.20
<u>Total trade receivables</u>	<b>719'565.72</b>	<b>103'290.20</b>
<b><u>Other current receivables</u></b>		
Third parties	16'114.14	16'834.13
Guarantees	328'476.95	250'000.00
<u>Total other current receivables</u>	<b>344'591.09</b>	<b>266'834.13</b>
<b><u>Inventory</u></b>	<b>30'802.50</b>	<b>6'364.39</b>
<u>Total current assets</u>	<b>1'188'901.01</b>	<b>384'013.13</b>
<b>TOTAL ASSETS</b>	<b><u>2'132'085.09</u></b>	<b><u>1'381'053.13</u></b>

**PYLANIA SA**  
**Grandval**

<b>LIABILITIES AND EQUITY</b>	<b>31.03.2017</b>	<b>31.03.2016</b>
	<b>CHF</b>	<b>CHF</b>
<b><u>LIABILITIES</u></b>		
<b><u>Trade accounts payables</u></b>		
Third parties	54'741.15	23'091.50
Intercompany	71'792.08	12'741.96
<u>Total trade accounts payables</u>	<b>126'533.23</b>	<b>35'833.46</b>
<b><u>Accrued expenses</u></b>	<b>0.00</b>	<b>0.00</b>
<b><u>Long term liabilities</u></b>		
Mortgage	80'000.00	129'750.00
Accrued liabilities	6'000.00	3'000.00
Loan from banks	273'850.82	265'236.17
Loan from Third party	526'753.00	0.00
Loan related party	100'778.00	697'322.60
<u>Total other liabilities</u>	<b>987'381.82</b>	<b>1'095'308.77</b>
<u>Total Liabilities</u>	<b>1'113'915.05</b>	<b>1'131'142.23</b>
<b><u>EQUITY</u></b>		
<b><u>Share capital</u></b>	<b>2'000'000.00</b>	<b>2'000'000.00</b>
<b><u>Capital form agios</u></b>	<b>450'000.00</b>	<b>450'000.00</b>
<b><u>Revaluation Reserves</u></b>	<b>240'200.00</b>	<b>240'200.00</b>
<b><u>Balances Loss</u></b>		
Loss brought forward	-2'440'289.10	-2'496'642.87
Profit of the period	768'259.14	56'353.77
<u>Total of balances loss</u>	<b>-1'672'029.96</b>	<b>-2'440'289.10</b>
<u>Total Equity</u>	<b>568'170.04</b>	<b>-200'089.10</b>
<b>TOTAL LIABILTIES AND EQUITY</b>	<b><u>2'132'085.09</u></b>	<b><u>1'381'053.13</u></b>

**PYLANIA SA**  
**Grandval**

<b>PROFIT AND LOSS STATEMENT</b>	<b>01.04.2016 31.03.2017 CHF</b>	<b>01.04.2015 31.03.2016 CHF</b>
<b>Income</b>		
Net sales	1'040'094.58	486'079.48
Other income	0.00	0.00
 <u>Total income</u>	 <b>1'040'094.58</b>	 <b>486'079.48</b>
<b>Expenses</b>		
Cost of goods sold	-618'025.69	-71'960.29
Personnel Expenses	-97'782.95	-128'330.73
Repair Maintenance, Energy	-3'163.25	-3'201.52
Adminsitratives expenses	-66'974.73	-62'282.96
Depreciation and amortisation	-80'722.00	-73'231.30
Financial expenses	-88'923.62	-74'652.12
Extraordinary income	690'000.00	0.00
Other expenses	0.00	-935.94
Tax expenses	-6'243.20	-15'130.85
 <u>Total expenses</u>	 <b>-271'835.44</b>	 <b>-429'725.71</b>
 <b>NET PROFIT/LOSS FOR THE YEAR</b>	 <b>768'259.14</b>	 <b>56'353.77</b>

APPENDIX AS AT MARCH 31, 2017

Fixed assets - Fixed assets are stated at acquisition cost less accumulated depreciation. Depreciation has been provided on Written down value Method.

Depreciation is calculated on the basis of the following useful lives and in accordance with the following

Property, plant and equipment	2017 (% of WDV)	2016 (% of WDV)
Land		
Building and Environment	5%	4%
Facilities and Equipment	20%	10%
Factory Equipment and Machines	10%	10%
Office Equipment	20%	20%
Vehicles	30%	20%
Computers, Hardware/Software	30%	30%

Inventories - Inventories are valued at acquisition cost, less a provision for obsolete items if necessary.

Inventories		
CHF	2017	2016
Raw materials, consumables and supplies	...	2'177.39
Work in progress	...	2'718.00
Finished goods	30'802.50	1'469.00
Trading goods	...	...
<b>Total inventory</b>	<b>30'802.50</b>	<b>6'364.39</b>

Equity participations				
Name and legal form	Votes	Registered office	2017	2016
			Capital (CHF)	Capital (CHF)
KDDL Limited	37.80%	India	755000	755000
Kamla International Holding Limited	47.20%	Switzerland	945000	945000
Q & S finance, GMBH	15.00%	Switzerland	300000	300000



**APPENDIX AS AT MARCH 31, 2017**

	<b>31.03.2017</b>	<b>31.03.2016</b>
	<b>CHF</b>	<b>CHF</b>
<b>Total Book Value of Assets Pledged</b>	<b>548'351.35</b>	<b>572'783.19</b>
Land	80'000.00	80'000.00
Building and Surrounding	464'208.00	488'640.00
Deposits	4'143.35	4'143.19
<b>Fire Insurance Value of Fixed Assets</b>	<b>2'126'400.00</b>	<b>2'126'400.00</b>
Real Estate	1'316'400.00	1'316'400.00
Inventory and Equipment	810'000.00	810'000.00
<b>Financial Leasing Liabilities</b>	<b>0.00</b>	<b>0.00</b>
Car Leasing	0.00	0.00

**Evaluation of Risks**

Management has evaluated from time to time risks the company runs and taken - if necessary - appropriate measures.



**PROPOSED APPROPRIATION OF AVAILABLE EARNINGS**

**CHF**

Profit for the year	768'259.14
Accumulated result	-2'440'289.10
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Amount to be carried forward	-1'672'029.96