

VISHNU HONG KONG LIMITED
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2016

徐成基會計師事務所
S. K. CHUI & CO.
Certified Public Accountants

VISHNU HONG KONG LIMITED
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2016

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VISHNU HONG KONG LIMITED

REPORT OF A DIRECTOR

The director presents herewith his annual report and the audited financial statements for the year ended 31st March 2016.

PRINCIPAL ACTIVITIES

The principal activities of the Company are that of exports and imports.

RESULTS AND APPROPRIATIONS

The results of the Company for the year ended 31st March 2016 are set out in the annexed financial statements.

The director does not recommend the payment of a dividend.

SHARE ISSUED IN THE YEAR

Details of share capital of the Company are set out in note 9 to the financial statements. There were no movements during the year.

DIRECTOR

The director who held office during the year and up to the date of this report was:

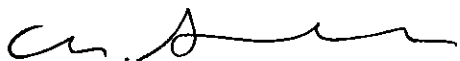
Cherukuri Siddartha

There being no provision in the Articles of Association regarding the retirement of director, all the director remain in office in the ensuing year.

AUDITORS

The financial statements have been audited by Messrs. S. K. Chui & Co. who retire and being eligible, offer himself for re-appointment.

On behalf of the Board



Chairman

Hong Kong, 29th April 2016

S. K. CHUI & CO.

Certified Public Accountants

14/F, Nan Sing Building, 727 Nathan Road, Mongkok, Kowloon, Hong Kong
Tel : (852) 3541 7556 Fax : (852) 3010 8591 E-mail: info@skchui CPA.com

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF VISHNU HONG KONG LIMITED (incorporated in Hong Kong with limited liability)

Report on the Financial Statements

We have audited the financial statements of Vishnu Hong Kong Limited ("the Company") set out on pages 4 to 9 which comprise the statement of financial position as at 31 March 2016, and the income statement and the statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Director's responsibility for the financial statements

The director is responsible for the preparation of financial statements in accordance with the Small and Medium-sized Entity Financial Reporting Standard (SME-FRS) issued by the Hong Kong Institute of Certified Public Accountants and the Hong Kong Companies Ordinance, and for such internal control as the director 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. This report is made solely to you, as a body, in accordance with Section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of the report.

We conducted our audit in accordance with Hong Kong Standards on Auditing and with reference to PN 900 (Revised) "Audit of Financial Statements Prepared in Accordance with the Small and Medium-sized Entity Financial Reporting Standard" issued by the Hong Kong Institute of Certified Public Accountants. 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.

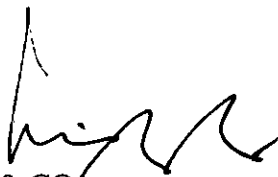
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF
VISHNU HONG KONG LIMITED**
(incorporated in Hong Kong with limited liability)

Opinion

In our opinion, the financial statements of the company for the year ended 31st March 2016 are prepared, in all material respects, in accordance with the SME-FRS and have been properly prepared in compliance with the Hong Kong Companies Ordinance.



S. K. CHUI & CO.
Certified Public Accountants
Hong Kong, 29th April 2016

VISHNU HONG KONG LIMITED**INCOME STATEMENT****FOR THE YEAR ENDED 31ST MARCH 2016**

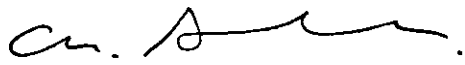
	Notes	Year ended 31/03/2016 HK\$	From 05/11/2014 to 31/03/2015 HK\$
TURNOVER	4	15,546,926	-
COST OF GOODS SOLD		<u>(15,145,515)</u>	<u>-</u>
GROSS PROFIT		401,411	-
ADMINISTRATIVE EXPENSES		(113,056)	(16,910)
PRELIMINARY EXPENSES-written off		<u>-</u>	<u>(12,426)</u>
PROFIT / (LOSS) FROM OPERATIONS		288,355	(29,336)
FINANCE COSTS	5	<u>(104,663)</u>	<u>(1,368)</u>
PROFIT / (LOSS) BEFORE TAXATION	6	183,692	(30,704)
TAXATION	7	<u>(7,293)</u>	<u>-</u>
NET PROFIT / (LOSS) FOR THE YEAR / PERIOD		<u>176,399</u>	<u>(30,704)</u>

The annexed notes form an integral part of these financial statements.

VISHNU HONG KONG LIMITED
STATEMENT OF FINANCIAL POSITION
AT 31ST MARCH 2016

	Notes	As at 31/03/2016 HK\$	As at 31/03/2015 HK\$
CURRENT ASSETS			
Trade and other receivables		1,951,450	-
Advance paid		370,496	-
Cash and bank balances		331,608	17,252
		<u>2,653,554</u>	<u>17,252</u>
CURRENT LIABILITIES			
Trade payables		2,176,657	-
Accrued charges		31,996	29,216
Amount due to a holding company	8	8,913	8,740
Provision for taxation	7	7,293	-
		<u>2,224,859</u>	<u>37,956</u>
NET ASSETS / (LIABILITIES)		<u>428,695</u>	<u>(20,704)</u>
CAPITAL AND RESERVES			
Share capital	9	283,000	10,000
Retained profits / (Accumulated losses)		<u>145,695</u>	<u>(30,704)</u>
TOTAL EQUITY		<u>428,695</u>	<u>(20,704)</u>

Approved by the sole director on 29th April 2016



DIRECTOR

The annexed notes form an integral part of these financial statements.

VISHNU HONG KONG LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31ST MARCH 2016

	Note	<u>Share capital</u> HK\$	<u>Retained profits</u> HK\$	<u>Total</u> HK\$
Share capital issued		10,000	-	10,000
Net (loss) for the period		<u>-</u>	<u>(30,704)</u>	<u>(30,704)</u>
BALANCE AT 31ST MARCH 2015		10,000	(30,704)	(20,704)
Share capital issued	9	273,000	-	273,000
Net profit for the year		-	176,399	176,399
BALANCE AT 31ST MARCH 2016		<u><u>283,000</u></u>	<u><u>145,695</u></u>	<u><u>428,695</u></u>

The annexed notes form an integral part of these financial statements.

VISHNU HONG KONG LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2016

1. REPORTING ENTITY

Vishnu Hong Kong Limited is a company incorporated in Hong Kong with limited liability. The Company's registered office is located at Unit V, 1st Floor, Mau Lam Commercial Building, 16-18 Mau Lam Street, Jordan, Kowloon, Hong Kong.

The principal activities of the Company are that of exports and imports.

2. BASIS OF PREPARATION

The Company qualifies for the reporting exemption as a small private company under Section 359(1)(a) of the Hong Kong Companies Ordinance (Cap. 622) and is therefore entitled to prepare and present its financial statements in accordance with the Small and Medium-sized Entity Financial Reporting Standard (SME-FRS) issued by the Hong Kong Institute of Certified Public Accountants.

These financial statements comply with the SME-FRS and have been prepared under the accrual basis of accounting and on the basis that the company is a going concern.

The measurement base adopted is the historical cost convention.

3. PRINCIPAL ACCOUNTING POLICIES

The followings are the specific accounting policies that are necessary for a proper understanding of the financial statements.

a. Trade and other receivables

Trade and other receivables are stated at estimated realisable value after each debt has been considered individually. Where the payment of a debt becomes doubtful a provision is made and charged to the income statement.

b. Taxation

Income tax expense represents current tax expense. The income tax payable represents the amount expected to be paid to the taxation authority, using tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is not provided.

c. Foreign exchange

The reporting currency of the Company is Hong Kong Dollars, which is the currency of the primary economic environment in which the Company operates.

Foreign currency transactions are converted at the exchange rate applicable at the transaction date. Foreign currency monetary items are translated into Hong Kong Dollars using exchange rates applicable at the end of the reporting period. Gains and losses on foreign exchange are recognised in the income statement.

VISHNU HONG KONG LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2016

3. PRINCIPAL ACCOUNTING POLICIES (Continued)

d. Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

4. TURNOVER

Turnover represents the total invoiced value of goods supplied to customers less return and discounts.

5. FINANCE COSTS

	Year ended 31/03/2016 HK\$	From 05/11/2014 to 31/03/2015 HK\$
Bank charges and interest	<u>104,663</u>	<u>1,368</u>
	<u>104,663</u>	<u>1,368</u>

6. PROFIT / (LOSS) BEFORE TAXATION

Profit / (Loss) before taxation is stated after charging / (crediting) the followings:-

	Year ended 31/03/2016 HK\$	From 05/11/2014 to 31/03/2015 HK\$
Audit fees	9,000	5,000
Cost of inventories sold	15,145,515	-
Director's remuneration		
- Fees	-	-
- Other emoluments	-	-
Loss on exchange, net	1,590	120
Preliminary expenses	<u>-</u>	<u>12,426</u>

7. TAXATION

Hong Kong Profits Tax has been provided for at the rate of 16.5% on the estimated assessable profits for the year less special tax relief (Period ended 31/03/2015 : Nil).

The amount of taxation charged to the income statement represents:

	Year ended 31/03/2016 HK\$	From 05/11/2014 to 31/03/2015 HK\$
Hong Kong profits tax		
Provision for the year / period	27,293	-
Less: Special tax relief for the year / period	<u>(20,000)</u>	<u>-</u>
Tax charge for the year / period	<u>7,293</u>	<u>-</u>

Tax payable in the statement of financial position represents provision for taxation for the current year less special tax relief.

VISHNU HONG KONG LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2016

8. AMOUNT DUE TO HOLDING COMPANY

The amount was unsecured, interest free and has no fixed terms of repayments.

9. SHARE CAPITAL

	As at 31/03/2016 HK\$	As at 31/03/2015 HK\$
Issued and fully paid 283,000 (2015: 10,000) ordinary shares	<u>283,000</u>	<u>10,000</u>

By an ordinary resolution passed on 27th July 2015, the Company allotted 195,000 shares making up the total issued capital of the Company to 205,000 ordinary shares for the purpose of providing additional working capital. These shares rank pari passu with existing shares of the Company.

By an ordinary resolution passed on 16th September 2015, the Company allotted 78,000 shares making up the total issued capital of the Company 283,000 ordinary shares for the purpose of providing additional working capital. These shares rank pari passu with existing shares of the

10. IMMEDIATE PARENT AND ULTIMATE CONTROLLING COMPANY

At 31st March 2016, the director considers the immediate parent and ultimate controlling party of the Company to be Vishnu Chemicals Limited, which is incorporated in India.

VISHNU HONG KONG LIMITED

DETAILED INCOME STATEMENT

**FOR THE YEAR ENDED 31ST MARCH 2016
(FOR MANAGEMENT INFORMATION ONLY)**

	<u>SCHEDULE</u>	Year ended 31/03/2016 HK\$	From 05/11/2014 to 31/03/2015 HK\$
SALES		15,546,926	-
COST OF GOODS SOLD	1	<u>(15,145,515)</u>	<u>-</u>
GROSS PROFIT		401,411	-
ADMINISTRATIVE EXPENSES	3	(113,056)	(16,910)
PRELIMINARY EXPENSES-written off		<u>-</u>	<u>(12,426)</u>
PROFIT / (LOSS) FROM OPERATIONS		288,355	(29,336)
FINANCE COSTS	2	<u>(104,663)</u>	<u>(1,368)</u>
PROFIT / (LOSS) BEFORE TAXATION		<u>183,692</u>	<u>(30,704)</u>

VISHNU HONG KONG LIMITED

DETAILED INCOME STATEMENT

**FOR THE YEAR ENDED 31ST MARCH 2016
(FOR MANAGEMENT INFORMATION ONLY)**

	Year ended 31/03/2016 HK\$	From 05/11/2014 to 31/03/2015 HK\$
<u>SCHEDULE 1</u>		
COST OF GOODS SOLD		
Purchases	15,145,515	-
	<u>15,145,515</u>	<u>-</u>
 <u>SCHEDULE 2</u>		
FINANCE COSTS		
Bank charges and interest	104,663	1368
	<u>104,663</u>	<u>1368</u>
 <u>SCHEDULE 3</u>		
ADMINISTRATIVE EXPENSES		
Audit fees	9,000	5,000
Business registration fees	2,250	2,250
Exchange loss	1,590	120
Postage and stamp	20,538	-
Printing and stationery	695	600
Registered office rent	3,500	3,500
Secretarial fees	2,000	2,000
Sundry expenses	1,206	3,440
Travelling expenses	72,277	-
	<u>113,056</u>	<u>16,910</u>