

SRF Global B.V.
WTC Schiphol Airport
B-Tower, 5th Floor
Schiphol Boulevard 231
1118 BH Amsterdam Schiphol
The Netherlands

**Financial statements
for the period ended March 31, 2015**

SRF Global B.V.
Amsterdam, The Netherlands

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SRF Global B.V.
Amsterdam, The Netherlands

Managing Director's report

Introduction

The Management herewith submits the Financial Statements of SRF Global B.V. (the company) for the financial period starting April 1, 2014 and ending March 31, 2015.

During the period under review, the company recorded a negative net result after taxes of USD 554.400 which is set out in detail in the profit and loss account.

Amsterdam Schiphol, April 23, 2015

Balance sheet

		(all amounts expressed in USD)	
Assets		March 31, 2015	March 31, 2014
		(notes)	
Fixed assets			
Financial fixed assets			
Investments in group companies	1	30.097.405	30.097.405
Loans to group companies	2	54.686.405	52.357.072
		<u>84.783.810</u>	<u>82.454.477</u>
Current assets			
Receivables			
Tax receivables	3	2.989	1.412
Prepaid expenses	4	106.556	233.415
Other receivables	5	190.501	190.500
		<u>300.046</u>	<u>425.327</u>
Cash and cash equivalents			
Bank balances	6	1.795.077	316.694
		<u>1.795.077</u>	<u>316.694</u>
		<u><u>86.878.933</u></u>	<u><u>83.198.498</u></u>

SRF Global B.V.
Amsterdam, The Netherlands

Balance sheet

		(all amounts expressed in USD)	
Shareholder's equity & liabilities		March 31, 2015	March 31, 2014
	(notes)		
Shareholder's equity			
Capital and reserves			
Share capital	7	18.315.664	18.315.664
General reserve	8	(1.155.002)	(600.602)
		<u>17.160.662</u>	<u>17.715.062</u>
Other provisions			
Provisions on investments in group companies	9	5.600	5.600
		<u>5.600</u>	<u>5.600</u>
Liabilities			
Long term liabilities			
Loans from third parties	10	60.000.000	63.500.000
Loans from group companies	11	9.250.000	1.558.390
		<u>69.250.000</u>	<u>65.058.390</u>
Short term liabilities			
Accounts payable	12	142.821	202.115
Accrued expenses	13	319.850	215.331
		<u>462.671</u>	<u>417.446</u>
		<u><u>86.878.933</u></u>	<u><u>83.196.498</u></u>

Profit and loss account

			(all amounts expressed in USD)	
	(notes)	<u>2014 / 2015</u>	<u>2013 / 2014</u>	
Income				
Financial income				
Interest income	14	1.729.333	1.624.967	
		<u>1.729.333</u>	<u>1.624.967</u>	
TOTAL INCOME		<u>1.729.333</u>	<u>1.624.967</u>	
Expenses				
General expenses				
Professional fees and services	15	(50.547)	(108.401)	
Other general expenses	16	(16)	(160)	
		<u>(50.563)</u>	<u>(108.561)</u>	
Financial expenses				
Interest expenses	17	(1.929.779)	(1.823.753)	
Financing expenses	18	(297.933)	(328.389)	
Foreign exchange rate differences	19	(674)	(2.315)	
Bank charges		(4.784)	(4.399)	
		<u>(2.233.170)</u>	<u>(2.158.856)</u>	
TOTAL EXPENSES		<u>(2.283.733)</u>	<u>(2.267.417)</u>	
Result before taxation		<u>(554.400)</u>	<u>(642.450)</u>	
Taxation				
Corporate income tax		-	-	
Withholding taxes		-	(24.438)	
		<u>-</u>	<u>(24.438)</u>	
RESULT AFTER TAXES		<u>(554.400)</u>	<u>(666.888)</u>	

SRF Global B.V.
Amsterdam, The Netherlands

Notes to the Financial statements

1. Notes to the accounts

1.1 The company

SRF Global B.V. (the company) is a private company with limited liability ("Besloten Vennootschap"), incorporated and existing under the laws of The Netherlands, incorporated on October 20, 2008. The company has its statutory seat in Amsterdam, The Netherlands and its principle place of business in Amsterdam Schiphol, The Netherlands.

1.2 Activities

In accordance with its articles of association, the principle activities of the company are holding and financing activities.

1.3 Registered office

WTC Schiphol Airport
B-Tower, 5th Floor
Schiphol Boulevard 231
1118 BH Amsterdam Schiphol
The Netherlands

The company is registered with the Dutch Chamber of Commerce, Amsterdam, The Netherlands under number 34314945.

1.4 Shareholder

The company's sole shareholder is SRF Limited, C-8 Com. Compl Safdarjung Devel. Area, New Delhi 110 016, India under number 5197, Delhi, India.

1.5 Group structure

SRF Global B.V. is part of the SRF group. The head of this group is SRF Limited of New Delhi, India. The financial statements of SRF Global B.V. are included in the consolidated financial statements of SRF Limited. Copies of the consolidated financial statements of SRF Limited are available on www.srf.com.

1.6 Managing Directors

Ashish Bharat Ram (New Delhi, India) as of October 20, 2008
Kartikya Bharat Ram (New Delhi, India) as of October 20, 2008
Vistra NC B.V. (Amsterdam, The Netherlands) as of October 20, 2008
Erevia B.V. (Amsterdam, The Netherlands) as of October 20, 2008

1.7 Changes in accounting policies

During the period under review the accounting policies have not changed.

1.8 Consolidation

Consolidation of the company has not taken place as SRF Global B.V. is exempt from this obligation pursuant to article 408 of the Dutch Civil Code.

1.9 Estimates

The preparation of Financial statements in conformity with the relevant rules requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. If necessary for the purposes of providing the view required under Section 362(1), Book 2, of the Netherlands Civil Code, the nature of these estimates and judgments, including the related assumptions, is disclosed in the notes to the financial statement items in question.

Notes to the Financial statements

2. Accounting policies for the balance sheet

2.1 General

The Financial statements has been prepared in accordance with the statutory provisions of Part 9, Book 2 of the Dutch Civil Code and the Guidelines for Annual Reporting in the Netherlands for small entities as issued by the Dutch Accounting Standards Board.

In general, assets and liabilities are stated at the amounts at which they were acquired or incurred, or current value. If not specifically stated otherwise, they are recognised at the amounts at which they were acquired or incurred. The balance sheet and profit and loss account include reference to the notes.

2.2 Comparative figures

The accounting policies are consistent with those used in the previous period reported with the exemption of the changes in accounting policies set out in "Notes to the accounts". (page 5)

2.3 Foreign currencies

2.3.1 Functional currency

Items included in the Financial statements of group companies are measured using the currency of the primary economic environment in which the respective group company operates (the functional currency). The Financial statements is presented in USD (United States Dollar), which is the functional and presentation currency of the company.

2.3.2 Transactions, assets and liabilities

Foreign currency transactions in the reporting period are translated into the functional currency using the exchange rates prevailing at the dates of the transactions as published by the Dutch Central Bank. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the rate of exchange prevailing at the balance sheet date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates are recognised in the profit and loss account, except when deferred in equity as qualifying hedges.

During the period under review the following currencies are reflected at the balance date:

EUR 1,0000 = USD 1,0759 (1,3788 at March 31, 2014)

Notes to the Financial statements

Accounting policies for the balance sheet

2.4 Financial assets

2.4.1 Investments in group companies

The investments in group companies are valued at acquisition price less permanent impairment if any.

2.4.2 Other amounts receivable

Other receivables disclosed under financial assets include issued loans and other receivables as well as purchased loans and debentures that will be held to their maturity date. These receivables are initially measured at nominal value. Impairment losses are deducted from nominal value and expensed in the profit and loss account.

If it is established that a previously recognised impairment loss no longer applies or has declined, the increased carrying amount of the assets in question is not set any higher than the carrying amount that would have been determined had no asset impairment been recognised.

2.5 Receivables

Accounts receivable are valued at face value less a provision for possibly uncollectable accounts.

2.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, bank balances and deposits held at call with maturities of less than 12 months. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet. Cash and cash equivalents are stated at face value.

2.7 Shareholders' equity

Where the company purchases treasury shares, the consideration is deducted from equity (retained earnings (general reserve) or any other reserve if the articles of association allow so) until the shares are canceled or reissued. Where such shares are subsequently reissued, any consideration received is included in equity (general reserve or any other reserve).

Incremental costs directly attributable to the purchase, sale and/or issue of new shares are shown in equity as a deduction, net of tax, from the proceeds. Other direct changes in equity are also recognised net of the relevant income tax effects.

2.8 Provisions

2.8.1 General information

Provisions are recognised for legally enforceable or constructive obligations existing at the balance sheet date, the settlement of which is probable to require an outflow of resources whose extent be reliably estimated. Provisions are measured on the basis of the best estimate of the amounts required to settle the obligations at the balance sheet date. Unless indicated otherwise, provisions are stated at the present value of the expenditure expected to be required to settle the obligations.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement shall be treated as a separate asset.

Notes to the Financial statements

Accounting policies for the balance sheet

2.8.2 Other provisions

The other provisions are recognised at the nominal value of the for the settlement of the obligation expected outflow of money.

2.9 Short term liabilities

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost, being the amount received taking account of any premium or discount, less transaction costs. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised as interest in the profit and loss account over the period of the borrowings using the effective interest method.

Notes to the Financial statements

3. Accounting policies for the profit and loss account

3.1 Result

Profit or loss is determined as the difference between the income and the costs and other charges for the period under review. Income and expenses are recognised in the period they relate to, realised and unrealised.

3.2 Exchange rate differences

Exchange differences arising upon the settlement or conversion of monetary items are recognised in the profit and loss account in the period that they arise, unless they are hedged.

3.3 Costs

Costs are recognised based on the historical cost convention and are allocated to the reporting year to which they relate.

3.4 Financial income and expense

3.4.1 Interest paid and received

Interest paid and received is recognised on a time-weighted basis, taking account of the effective interest rate of the assets and liabilities concerned. When recognising interest paid, allowance is made for transaction costs on loans received as part of the calculation of effective interest.

3.4.2 Dividends

Dividends receivable from associates not carried at net asset value and securities are recognised as soon as SRF Global B.V. acquires the right to them.

3.5 Income tax expense

Income tax is calculated on the profit/loss before tax in the income statement, taking into account any losses carried forward from previous financial years (where not included in deferred income tax assets), tax exempt items and non deductible expenses. Account is also taken of changes in deferred income tax assets and liabilities owing to changes in the applicable tax rates.

Notes to the Financial statements

(all amounts expressed in USD)

Balance sheet

	March 31, 2015	March 31, 2014
Fixed assets		
Financial fixed assets		
1. Investments in group companies		
SRF Industex Belting (Pty) Limited, <i>Republic of South Africa</i>	2.012.889	2.012.889
- held for 100%		
SRF Industries (Thailand) Limited, <i>Thailand</i>	6.330.398	6.330.398
- held for 100%		
SRF Overseas Limited, <i>Dubai, United Arab Emirates</i> <i>(Branch of SRF Overseas Limited, British Virgin Islands)</i>	21.748.505	21.748.505
- held for 100%		
SRF Flexipak (South Africa) (Pty) Limited, <i>Republic of South Africa</i>	13	13
- held for 100%		
SRF Nitol (Bangladesh) Limited, <i>Bangladesh</i>	5.600	5.600
- held for 80% (joint venture with Nitol Motors Limited, Bangladesh)		
	<u>30.097.405</u>	<u>30.097.405</u>

Regarding the negative present and (expected) future results of the joint venture in SRF Nitol (Bangladesh) Limited a provision has been made for the total amount of the investment. (see note 9)

On May 9, 2014 at a meeting of the directors of SRF Overseas Limited held at SRF Limited, India (HQ) it was resolved to start the process of liquidating the company. Mr. K.M.N.S. Nair has been appointed as liquidator at the same meeting.

2. Loans to group companies

SRF Industex Belting (Pty) Limited		
- Amount(s) released	2.100.000	1.500.000
- Accrued interest (repayments included)	101.852	44.087
	<u>2.201.852</u>	<u>1.544.087</u>
SRF Industries (Thailand) Limited		
- Amount(s) released	27.578.560	27.578.560
- Accrued interest	2.695.366	1.769.491
	<u>30.273.926</u>	<u>29.348.051</u>
SRF Flexipak (South Africa) (Pty) Limited		
- Amount(s) released	20.495.351	20.495.351
- Accrued interest	1.715.276	969.583
	<u>22.210.627</u>	<u>21.464.934</u>
	<u>54.686.405</u>	<u>52.357.072</u>

Notes to the Financial statements

(all amounts expressed in USD)

Balance sheet

	<u>March 31, 2015</u>	<u>March 31, 2014</u>
Current assets		
3. Tax receivables		
VAT 1st quarter 2014	-	1.412
VAT 1st quarter 2015	2.989	-
	<u>2.989</u>	<u>1.412</u>
4. Prepaid expenses		
Management and domiciliation fees	3.934	5.041
Financing expenses	102.622	228.374
	<u>106.556</u>	<u>233.415</u>
5. Other receivables		
Prepaid expenses for group company	190.501	190.500
	<u>190.501</u>	<u>190.500</u>
Cash and cash equivalents		
6. Bank balances		
ABN AMRO Bank current account EUR	4.875	32.731
ABN AMRO Bank current account USD	1.790.365	283.738
Citibank current account USD	(163)	225
	<u>1.795.077</u>	<u>316.694</u>

Notes to the Financial statements

		(all amounts expressed in USD)	
Balance sheet		March 31, 2015	March 31, 2014
Shareholder's equity & liabilities			
Shareholder's equity			
Capital and reserves			
7. Share capital			
Authorized share capital	201.800 shares	28.669.726	28.669.726
Shares in portfolio	72.880 shares	(10.354.062)	(10.354.062)
Issued and paid up share capital	128.920 shares	<u>18.315.664</u>	<u>18.315.664</u>
The shares have a par value of EUR 100,00.			
No shares are pledged.			
8. General reserve			
Balance at the start of the financial period reported		(600.602)	66.286
Appropriation of the result of the financial period reported		(554.400)	(666.888)
		<u>(1.155.002)</u>	<u>(600.602)</u>
Other provisions			
9. Provisions on investments			
SRF Nitol (Bangladesh) Limited		5.600	5.600
		<u>5.600</u>	<u>5.600</u>
Liabilities			
Long term liabilities			
10. Loans from third parties			
Citibank N.A., London Branch			
- Amount(s) released		-	3.500.000
		-	3.500.000
Barclays Bank PLC			
- Amount(s) released		20.000.000	20.000.000
		20.000.000	20.000.000
HDFC Bank Limited			
- Amount(s) released		20.000.000	20.000.000
		20.000.000	20.000.000
DBS Bank			
- Amount(s) released		20.000.000	20.000.000
		20.000.000	20.000.000
		<u>60.000.000</u>	<u>83.500.000</u>

Notes to the Financial statements

(all amounts expressed in USD)

Balance sheet	March 31, 2015	March 31, 2014
Shareholder's equity & liabilities		
Liabilities		
Long term liabilities		
11. Loans from group companies		
<u>SRF Limited</u>		
- Amount(s) released	1.500.000	1.500.000
- Accrued interest	117.348	107.578
Of which short term	-	(49.188)
Repayment received	(1.617.348)	-
	-	1.558.390
<u>SRF Overseas Limited</u>		
- Amount(s) released	9.250.000	-
- Accrued interest	167.610	-
Of which short term	(167.610)	-
	9.250.000	-
	<u>9.250.000</u>	<u>1.558.390</u>
Short term liabilities		
12. Accounts payable		
Third party creditor accounts	26.810	8.133
Group company creditor accounts	116.011	193.982
	<u>142.821</u>	<u>202.115</u>
13. Accrued expenses		
Management and administrative services	-	10.155
Audit fees	1.472	1.849
Tax advisory fees	1.883	-
Interest on loans from third parties	148.885	154.097
Interest on loans from group companies	167.610	49.188
Other accrued expenses	-	42
	<u>319.850</u>	<u>215.331</u>

Notes to the Financial statements

(all amounts expressed in USD)

Profit and loss account	2014 / 2015	2013 / 2014
Income		
Financial income		
14. Interest income		
Interest from loans to group companies	1.729.333	1.624.112
Interest from taxes and levies	-	855
	<u>1.729.333</u>	<u>1.624.967</u>
Expenses		
General expenses		
15. Professional fees and services		
Management and administrative fees and services	42.207	67.078
Audit fees	3.032	1.849
Legal and notary fees	1.046	19.076
Tax advisory fees and services	4.262	19.429
Consulting and other advisory fees fees	-	969
	<u>50.547</u>	<u>108.401</u>
16. Other general expenses		
Courier expenses	-	69
Other general expenses	16	91
	<u>16</u>	<u>160</u>
Financial expenses		
17. Interest expenses		
Interest on loans from third parties	1.749.955	1.784.515
Interest on loans from group companies	179.818	39.221
Interest on bank balances	6	17
	<u>1.929.779</u>	<u>1.823.753</u>

Notes to the Financial statements

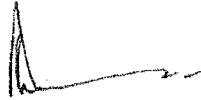
(all amounts expressed in USD)

Profit and loss account

	2014 / 2015	2013 / 2014
Expenses		
18. Financing expenses		
Guarantee fees	152 181	153 935
Amortisation of prepaid financing expenses	125 752	182 704
Agency fees	20 000	7 088
Consulting fees	-	4 884
	<u>297 933</u>	<u>328 389</u>
19. Foreign exchange rate differences		
ABN AMRO Bank current account EUR	1 354	(5 519)
Prepaid expenses	441	(278)
Other receivables	146	5 554
VAT receivable	510	(1 083)
Withholding tax receivable	-	255
Accounts payable	(1 749)	2 951
Accrued expenses	(28)	435
	<u>874</u>	<u>2 315</u>

Board of directors signature for approval

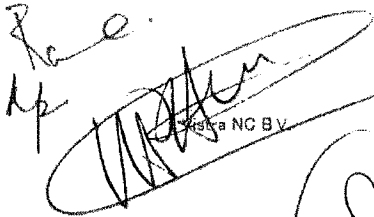
Amsterdam 23rd April 2015



Ashish Bharat Ram



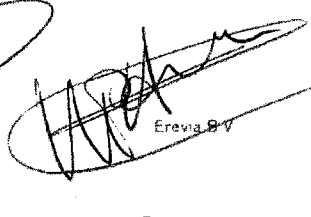
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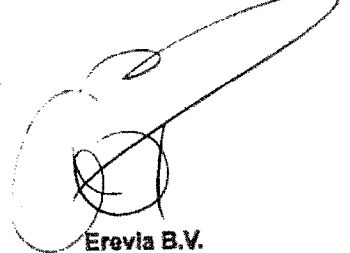
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By: M.P.A. Stoop



Vistra NC BV
By:
C. Heislout - van Riemsdijk



Erevia B.V.
by:
M.P.A. Stoop



Erevia B.V.
by:
C. Heislout - van Riemsdijk

SRF Global B.V.
Amsterdam, The Netherlands

Other information

Statutory audit

The annual accounts of SRF Global B.V. do not need to be audited as the company is exempt from this obligation pursuant to article 396, title 2 of the Dutch Civil Code.

It is however the wish of the shareholder to have this Financial statements audited.

Statutory provision regarding the appropriation of result

In accordance with article 14 of the company's articles of association, the profit shall be at the disposal of the Annual Meeting of shareholders.

Profit distribution can only be made to the extent that the Shareholder's Exuity exceeds the issued and paid up share capital and legal reserves.

Proposed appropriation of result

The management proposes appropriate the result to the General Reserve.

In advance of the Annual General Meeting to be held, this proposal is reflected in these Financial statements.

Employees

During the period under review the company had no employees and no changes thereto are expected.

Events after balance date

No significant events have taken place after balance date.