

Milton Holdings Ltd
Port Louis, Mauritius

Auditors' Report & Financial Statements
For the year ended 31st March, 2014

Milton Holdings Ltd
Port Louis, Mauritius
Auditors' Report & Financial Statements
For the year ended 31st March, 2014

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Ref No.- Zenith/ 2014/ 9270-A

**The Shareholder,
Milton Holdings Ltd,
Port Louis, Mauritius**

Independent Auditors' Report

We have audited the accompanying financial statements of **Milton Holdings Ltd**, which comprise the Statement of Financial Position as at **31st March, 2014**, and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Cash Flows and Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

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. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance 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 judgement, 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 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 entity'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.

(Continued on page 2)

(Continued from page 1)

Opinion

We are not aware of any related tax laws and other laws of **Port Louis, Mauritius**, due to limitation.

Subject to the preceding paragraph, in our opinion, the financial statements give a true and fair view of the financial position of **Milton Holdings Ltd** as of **31st March, 2014**, and of its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards.

Other matter

This is our first year of audit. The management has presented opening balances as at 1st April, 2013 from the books of accounts audited by another firm of accountants, whose report dated 20th May, 2013 had expressed an unmodified opinion.



For Zenith Certified Chartered Accountants
17th May, 2014

Milton Holdings Ltd
Port Louis, Mauritius

Statement of Financial Position
As at 31st March, 2014

	<u>Notes</u>	<u>2014</u> <u>USD</u>	<u>2013</u> <u>USD</u>
Current Assets:			
Loan and advances	4	4,704,890	4,704,890
Cash and balance with bank	5	875	875
		<u>4,705,765</u>	<u>4,705,765</u>
Total Assets		<u>4,705,765</u>	<u>4,705,765</u>
Equity:			
Share capital	2	4,735,100	4,735,100
Retained (losses) / earnings		(37,835)	(32,635)
		<u>4,697,265</u>	<u>4,702,465</u>
Current Liabilities:			
Accounts payable	6	8,500	3,300
Total Liabilities		<u>8,500</u>	<u>3,300</u>
Total Equity and Liabilities		<u>4,705,765</u>	<u>4,705,765</u>

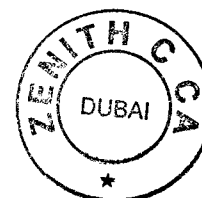
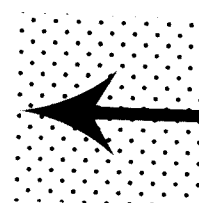
The accompanying notes on pages 7 to 10 form an integral part of these financial statements.
The Report of the Auditors is set out on page 1 & 2.

Approved by the Directors on 17th May, 2014.

For Milton Holdings Ltd

Liday Bantay Singh

Director



Milton Holdings Ltd
Port Louis, Mauritius

Statement of Profit or Loss and Other Comprehensive Income
For the year ended 31st March, 2014

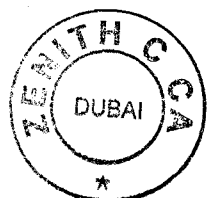
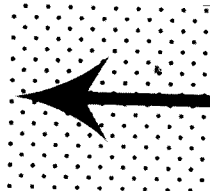
	<u>Notes</u>	<u>2014</u> <u>USD</u>	<u>2013</u> <u>USD</u>
Operating Expenses			
Administration expenses	7	(2,500)	(2,750)
Professional and legal expenses		(3,000)	(3,000)
		<u>(5,500)</u>	<u>(5,750)</u>
Net Loss for the Year		(5,500)	(5,750)
Liability no longer required		300	-
Total Comprehensive Loss for the Year		<u>(5,200)</u>	<u>(5,750)</u>

The accompanying notes on pages 7 to 10 form an integral part of these financial statements.
The Report of the Auditors is set out on page 1 & 2.

Approved by the Directors on 17th May, 2014.

For Milton Holdings Ltd

Uday Prakash Singh
Director



**Milton Holdings Ltd
Port Louis, Mauritius**

**Statement of Cash Flows
For the year ended 31st March, 2014**

	<u>2014</u> USD	<u>2013</u> USD
Cash flows from operating activities		
Net loss for the year	(5,200)	(5,750)
Operating cash flow before changes in net operating assets	(5,200)	(5,750)
<u>(Increase) / Decrease in Current Assets</u>		
Loan and advances	-	5,550
<u>Increase / (Decrease) in Current Liabilities</u>		
Accounts payable	5,200	-
Net cash flow used in operating activities (A)	-	(200)
Net decrease in cash and cash equivalents (A)	-	(200)
Cash and cash equivalents at beginning of the year	875	1,075
Cash and cash equivalents at end of the year	875	875

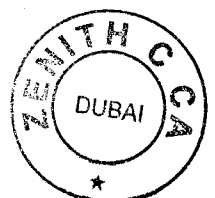
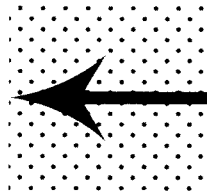
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Approved by the Directors on 17th May, 2014.

For Milton Holdings Ltd

Uday Prakash Singh

Director



Milton Holdings Ltd
Port Louis, Mauritius

Statement of Changes in Equity
For the year ended 31st March, 2014

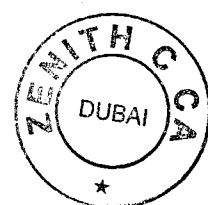
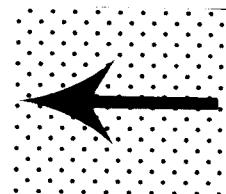
	Share capital USD	Retained (losses) USD	Total USD
At 1st April, 2012	4,735,100	(26,885)	4,708,215
Total comprehensive loss for the year	-	(5,750)	(5,750)
At 31st March, 2013	4,735,100	(32,635)	4,702,465
Total comprehensive loss for the year	-	(5,200)	(5,200)
At 31st March, 2014	4,735,100	(37,835)	4,697,265

The accompanying notes on pages 7 to 10 form an integral part of these financial statements.
The Report of the Auditors is set out on page 1 & 2.

Approved by the Directors on 17th May, 2014.

For Milton Holdings Ltd

Kelay Coates Singh
Director



Milton Holdings Ltd
Port Louis, Mauritius

Notes to the Financial Statements
For the year ended 31st March, 2014

1 Legal status and activities

- 1.1 **Milton Holdings Ltd** was registered in Port Louis, Mauritius on 21st April, 2008 as a Private Company with Limited Liability under the Companies Act 2001 of the Republic of Mauritius, and has been granted a Category 2 Global Business License under the Financial Services Development Act, 2001. The registered address of the company is Suite G12, St. James Court, St. Denis Street, Port Louis, Mauritius.
- 1.2 The company is primarily engaged in business of investment in stocks, funds, shares, securities, foreign currencies and properties and to borrow or raise money by the issue of debenture stocks, bonds, mortgages and any other securities founded.
- 1.3 The management is still under the process of setting up business and no commercial transaction has taken place during the current year.

2 Shareholding

- 2.1 **Balasure Alloys Limited** is holding 100% shares of **Milton Holdings Ltd**. Balasure Alloys Limited incorporated in India and listed on the Bombay Stock Exchange.

3 Significant Accounting Policies

a) Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), interpretations issued by International Financial Reporting Interpretations Committee (IFRIC), and applicable requirements of the U.A.E. Law. The financial statements are presented in United States Dollar (USD).

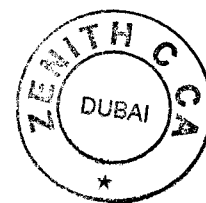
i) Applicable from the current year but not expected to have a material impact on the financial position or performance of the Concern and/or would not be relevant to the Concern:

- Amendment to IAS 1 - 'Presentation of Financial Statements' regarding other comprehensive income which requires the entities to group items presented in 'Other comprehensive income' (OCI) on the basis of whether they are potentially reclassifiable to profit or loss at a future point in time.
- Amendment to IFRS 7 - 'Financial Instruments: Disclosures' on Transfer of Financial Assets - No such items.
- Amendment to IFRS 1 - 'First Time Adoption' on Hyperinflation and Fixed Dates.
- Amendment to IAS 12 - 'Income Taxes', on Deferred Tax - There is no corporate taxation applicable in the BVI.

ii) Forthcoming requirements available for early adoption in 2012 but not yet effective and adopted by the Concern:

Effective date: 1 January 2013

- Amendment to IFRS 1 - 'First Time Adoption', on government loans. - Not relevant to the Concern.
- Amendment to IFRS 7 - 'Financial Instruments: Disclosures', on Asset and Liability Offsetting facilitates comparison between accounts prepared under IFRS and US GAAP - No such items.
- IFRS 10 - 'Consolidated Financial Statements', builds on existing principles by identifying the concept of control of as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company - Not relevant to the Concern.
- IFRS 11 - 'Joint Arrangements'. - This IRFS focuses on the rights and obligations of the parties to the arrangement rather than its legal form. Proportional consolidation of joint ventures is no longer allowed - Not relevant to the Concern.



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- IFRS 12 - 'Disclosures of Interests in Other Entities'. - This includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off Statement of Financial Position vehicles - Not relevant to the Concern.
- Amendments to IFRSs 10, 11 and 12 on transition guidance. - These amendments provide additional transition relief to IFRSs 10, 11 and 12, limiting the requirement to provide adjusted comparative information to only the preceding comparative period - Not relevant to the Concern.
- IAS 27 (Revised 2011) - 'Separate Financial Statements' - IAS 27 (Revised 2011) includes the requirements relating to separate financial statements - Not relevant to the Concern.
- IAS 28 (Revised 2011) - 'Associate and Joint Ventures' - This includes the requirements for associates and joint ventures that have to be equity-accounted following the issue of IFRS 11 - Not relevant to the Concern.

Effective date: 1 January 2014

- Amendment to IAS 32 - 'Financial Instruments: Presentation', on Asset and Liability Offsetting - These amendments are to the application guidance in IAS 32, 'Financial Instruments: Presentation', and clarify some of the requirements for offsetting financial assets and financial liabilities on the 'Statement of Financial Position'.
- IFRS 13 - 'Fair Value Measurement' - This aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs - Not relevant to the Concern.
- IAS 19 - 'Employee Benefits' as amended in June 2011 regarding methodology of calculation of employee benefits. - Not applicable to the Concern.
- IFRIC 20 - 'Stripping Costs in the Production Phase of a Surface Mine' - Not relevant to the Concern.

Management anticipates that the adoption of these standards, amendments and interpretations will have no material impact on the financial statements of the company in the period of initial application.

b) Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by International Accounting Standards Board (IASB).

c) Accounting convention

These financial statements have been prepared under the historical cost convention. The fair / net realizable value concept of measurement of assets and liabilities has also been applied wherever applicable under IFRSs.

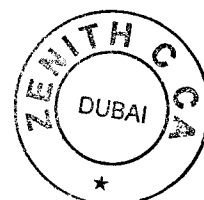
d) Critical accounting estimates and judgments

The preparation of financial statements in conformity with approved accounting standards requires the use of judgments. Estimates and judgments are continually evaluated and are based on historical experience, including expectations of future events that are believed to be reasonable under the circumstances.

The areas where various assumptions were exercised in application of accounting policies that are significant to the financial statements are as:

- Useful life of property, plant and equipment.
- Allowance for doubtful debts, specific provisions for individual accounts are recorded based on customer's inability to meet its financial obligations.

At the end of each reporting period, management conducts an assessment of each of the assets referred-to above to determine whether there are any indications that they may be impaired. In the absence of such indications, no further action is taken. If such indications do exist, an analysis of each asset is undertaken to determine its net recoverable amount and, if this is below its carrying amount, a provision is made and changes are reflected in the financial statements of the period of change and, if material their effects are disclosed in the financial statements. These are explained in the notes on the respective items of assets in the accounting policies.



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e) Foreign currency transactions

Transactions in foreign currencies are translated into United States Dollar at the rate of exchange ruling on the date of the transactions.

Monetary assets and liabilities expressed in foreign currencies are translated into United States Dollar at the rate of exchange ruling at the end of the reporting period.

Gains or losses resulting from settlement of foreign currency transactions are taken to the 'Statement of Comprehensive Income' on net basis as either 'Foreign exchange gains' or 'Foreign exchange losses' and included in 'Other operating income' or 'Other operating expenses' respectively.

f) Impairment of assets

The carrying amount of the entity's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such indication exists, the assets' recoverable amount is estimated. An impairment loss is recognized wherever the carrying amount of the asset exceeds its recoverable amount. Impairment losses are recognized in Statement of Comprehensive Income.

g) Cash and cash equivalents

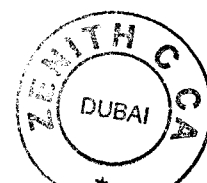
Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and – for the purpose of the Statement of Cash Flows - bank overdrafts. Bank overdrafts are shown within loans and borrowings in current liabilities on the Statement

h) Accounts payables, provisions and accruals

Liabilities are recognized for amounts to be paid in future for goods and services rendered, whether or not billed to the Concern.

Provisions are recognized when the Concern has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

	<u>2014</u>	<u>2013</u>
	USD	USD
4 Loan and advances		
Advances for mining projects	1,084,240	1,084,240
Other loan and advances	3,355,000	3,355,000
Advances to Global Steel Holding Ltd	265,650	265,650
	4,704,890	4,704,890
5 Cash and balance with bank		
Cash in hand	100	100
Cash at bank	775	775
	875	875
6 Accounts payable	8,500	3,300
7 Administration expenses		
Other expenses	2,500	2,750



Milton Holdings Ltd
Port Louis, Mauritius

8 Fair value of financial instruments

The company's financial instruments are accounted for under the historical cost convention. Fair value represents the amount at which an asset could be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction, therefore, differences can arise between values under the historical cost method and fair value estimates. The fair value of the company's financial instruments is not materially different from the carrying value at 31st March, 2014.

9 Interest rate risk

Significant financial instruments, other assets and other liabilities of the company as at 31st March, 2014 are not interest based.

10 Liquidity risk

This is the risk where the concern will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

Management monitors its cash requirements to ensure adequacy of funding from banks. If necessary, funds are arranged from the shareholders and the related party to ensure that the payment obligations are met on time.

11 Exchange rate risk

Since the main underlying currencies of the financial instruments, other assets, other liabilities and transactions are in and U.S. Dollars, the company is not exposed to a significant exchange rate risk.

12 Contingencies and commitments

As at 31st March, 2014, the company had no contingencies and commitments.

13 Comparative figures

Previous year's figures have been reclassified / regrouped wherever necessary to conform to the presentation adopted in these financial statements. Figures of the company have been rounded off to nearest USD 1/-.

The accompanying notes on pages 7 to 10 form an integral part of these financial statements.
The Report of the Auditors is set out on page 1 & 2.

Approved by the Directors on 17th May, 2014.

For Milton Holdings Ltd

Vidya Prakash Singh

Director

