

AUDITORS REPORT

TO THE BOARD OF DIRECTORS OF HSIL LTD.

We have verified the accompanying financial statements of QUEO BATHROOMS INNOVATIONS LIMITED, expressed in INR, which comprises of Balance Sheet as at 31st March, 2017 and also the Profit & Loss Account & Cash flow Statement of the Company for the year ended on that date, duly converted into IND AS and we have signed under reference to this certificate.

The conversion has been done by the management of HSIL LTD. ("the Company") being the holding company of Queo Bathrooms Innovations Limited ("the subsidiary"), in accordance with generally accepted accounting practice in India and other recognized accounting practices and policies followed by the Company to enable their incorporation in the consolidated financial statements of the Company pursuant to IND AS 27- Consolidated & Separate Financial Statements – prescribed by the Central Government of India.

The conversion of these financial statements into the relevant formats is the responsibility of the management of the Company. Our responsibility is to certify whether these financial statements and relevant formats prepared for the purpose outlined above and verified by us are accurate and in accordance with the generally accepted auditing standards in India.

The management of the company has considered the operation of its subsidiary as "Non Integral Foreign Operation" and accounting treatment for the conversion of subsidiary's financial statements has been done as set out in the IND AS – 21 "The effects of changes in the Foreign Exchange Rates" prescribed by the Central Government of India.

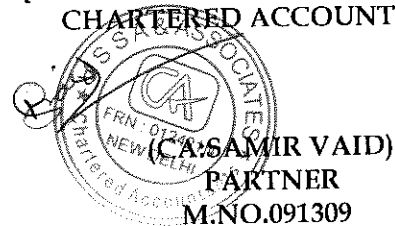
Based on our verification and on the basis of information and explanations given to us, the accompanying converted financial statements and relevant formats of the Subsidiary read with notes thereon and attached thereto have been converted as per the requirements of IND AS - 21 and are in conformity with generally accounting principles and other recognized accounting practices and policies in India.

This certificate is intended solely for the information and use of the Company and its statutory auditors in connection with their audit of consolidation financial statements of Company. We do not accept or assume any liability or duty of care for any other purposes or to any third parties to whom the certificate is shown, or into whose hands it may come, save where expressly agreed by our prior consent in writing.

NEW DELHI.

DATED: 12-05-2017

For V S S A & ASSOCIATES
[FIRM REGISTRATION NO 012421N]
CHARTERED ACCOUNTANTS



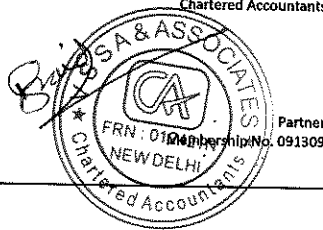
QUEO BATHROOM INNOVATIONS LIMITED
Balance sheet as at 31 March 2017

Particulars		Note No.	As at	
			31 March 2017	
			INR	GBP
A	ASSETS			
	1 Non-current assets			
	(a) Property, plant and equipment		-	-
	(b) Capital work-in-progress		-	-
	(c) Goodwill		-	-
	(d) Other intangible assets		-	-
	(e) Financial assets		-	-
	(i) Investments		-	-
	(ii) Loans		-	-
	(f) Other non-current assets		-	-
	Total non-current assets		-	-
	2 Current assets			
	(a) Inventories		-	-
(b) Financial assets		-	-	
(i) Trade receivables		-	-	
(ii) Cash and cash equivalents	2	772,482	9,551	
(iii) Bank balances other than (ii) above		-	-	
(iv) Loans	3	63,005	779	
(v) Other financial assets		-	-	
(c) Other current assets		-	-	
Total current assets		835,487	10,330	
Total assets (1+2)		835,487	10,330	
B	EQUITY AND LIABILITIES			
	1 Equity			
	(a) Equity Share capital	4(a)	79,656	951
	(b) Other Equity	4(b)	658,775	8,179
	Total equity		738,432	9,130
	Liabilities			
	2 Non-current liabilities			
	(a) Financial liabilities			
	(i) Borrowings		-	-
	(ii) Trade payables		-	-
	(iii) Other financial liabilities measured at amortised cost		-	-
	(b) Provisions		-	-
	(c) Deferred tax liabilities (Net)		-	-
(d) Other non-current liabilities		-	-	
Total non-current liabilities		-	-	
3 Current liabilities				
(a) Financial liabilities				
(i) Borrowings		-	-	
(ii) Trade payables		-	-	
(iii) Other financial liabilities	5	97,056	1,200	
(b) Other current liabilities		-	-	
(c) Provisions		-	-	
(d) Current tax liabilities (Net)		-	-	
Total current liabilities		97,056	1,200	
Total equity and liabilities (1+2+3)		835,487	10,330	

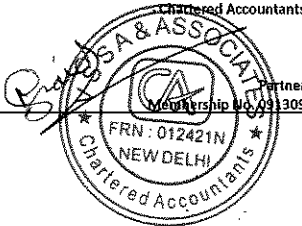
See accompanying notes to the financial statements

As per our report of even date
For V S S A & Associates
Chartered Accountants

Dated : 12 May 2017
New Delhi



QUEO BATHROOM INNOVATIONS LIMITED
Statement of profit and loss for the year ended 31 March 2017

Particulars	Note no.	Year ended 31 March 2017	
		INR	GBP
Continuing operations			
I Revenue from operations		-	-
II Other income		-	-
III Total revenue (I + II)		-	-
IV Expenses			
Cost of materials consumed		-	-
Changes in stock of finished goods, work-in-progress and		-	-
Employee benefits expense		-	-
Finance costs		-	-
Depreciation and amortisation expense		-	-
Other expenses	6	449,182	5,121
Total expenses (IV)		449,182	5,121
V Profit/(loss) before exceptional items and tax (III - IV)		(449,182)	(5,121)
Exceptional items		-	-
VI Share of profit / (loss) of joint ventures and associates		-	-
(1) Share of profit / (loss) of joint ventures and associated		-	-
VII Profit/(loss) before tax		(449,182)	(5,121)
VIII Tax expense			
(1) Current tax		-	-
(2) Deferred tax		-	-
Total tax expense (VIII)		-	-
IX Profit/(loss) after tax (VII - VIII)		(449,182)	(5,121)
X Other comprehensive Income			
A (i) Items that will not be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will not be reclassified		-	-
to profit or loss		-	-
B (i) Items that may be reclassified to profit or loss		-	-
(ii) Income tax on items that may be reclassified to profit or		-	-
loss		-	-
Total tax expense (X)		-	-
XI Total comprehensive income for the period (IX+X)		(449,182)	(5,121)
See accompanying notes to the financial statements			
		As per our report of even date For V S S A & Associates Chartered Accountants	
Dated : 12 May 2017 New Delhi			

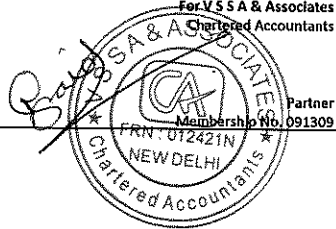
QUEO BATHROOM INNOVATIONS LIMITED
Cash flow statement for the year ended 31 March 2017

Particulars	Year ended 31 March 2017 INR
Cash flows from operating activities	
Profit before tax	(449,182)
Adjustments for:	
Impairment losses	-
Net foreign exchange (gain)/loss	(6,069)
	(455,251)
Movements in working capital:	
Increase in trade and other receivables	(63,005)
Decrease in trade and other payables	97,056
	34,050
Cash generated from operations	(421,201)
Income taxes paid	-
Net cash generated by operating activities	(421,201)
Cash flows from Investing activities:	
Purchase of investments	-
Net cash (used in)/generated by Investing activities	-
	(421,201)
Cash flows from financing activities:	
Proceeds from borrowings	-
Proceeds from Issue of Share Capital	1,193,683
Net cash used in financing activities	1,193,683
	772,482
Net increase in cash and cash equivalents:	
Cash and cash equivalents at the beginning of the year	-
	-
Cash and cash equivalents at the end of the year	772,482

This is the cash flow referred to in our report of even date.
See accompanying notes to the financial statements

As per our report of even date
For V S S A & Associates
Chartered Accountants

Dated : 12 May 2017
New Delhi



QUEO BATHROOM INNOVATIONS LIMITED

Note 2 - Cash and bank balances	As at 31 March 2017	
	INR	GBP
Current Cash and bank balances		
(a) Balances with banks	772,482	9,551
Total cash and cash equivalent	772,482	9,551

Note 3 - Other Current assets (unsecured, considered good unless otherwise stated)	As at 31 March 2017	
	INR	GBP
Other current assets		
(i) Prepayments		
(ii) Advance recoverable in cash or in kind	63,005	779
TOTAL	63,005	779

QUEO BATHROOM INNOVATIONS LIMITED

Note 4(a) Statement of changes in equity for the year ended 31 March 2017	As at 31 March 2017	
	INR	GBP
a. Share capital		
Issued and paid up capital at 1 April 2015		
Balance as at 1 April 2015		
Changes in equity share capital during the year		
Balance as at 31 March 2016	-	-
Changes in equity share capital during the year	79,656	951
Balance as at 31 March 2017	79,656	951

Note 4(b) - Other equity

	Reserves and Surplus							
	Security premium		Foreign currency translation	Retained earnings		Total		
	INR	GBP		INR	GBP	INR	GBP	
Balance as at 1 April 2015	-	-	-	-	-	-	-	-
Changes during the year	-	-	-	-	-	-	-	-
Balance as at 31 March 2016	-	-	-	-	-	-	-	-
Changes during the year	1,114,027	13,300	(6,069)		(449,182)	(5,121)	658,775	8,179
Balance as at 31 March 2017	1,114,027	13,300	(6,069)		(449,182)	(5,121)	658,775	8,179
Profit for the year								
Other comprehensive income for the year (net of income tax)					(449,182)	(5,121.00)	(449,182)	(5,121)
Total comprehensive income for the year					-	-	(449,182)	(5,121)

Note 5 Other financial liabilities	As at 31 March 2017	
	INR	GBP
Current		
Others		
Creditors for expenses payable	97,056	1,200
Total other financial liabilities	97,056	1,200

Note 6 Other expenses	As at 31 March 2017	
	INR	GBP
Miscellaneous expenses	449,182	5,121
	449,182	5,121

