

FACOR MINERALS (NETHERLANDS) B.V.

**SCHIPOL BOULEVARD 231
1118 BH SCHIPOL AMSTERDAM
THE NETHERLANDS**

FINANCIAL STATEMENTS 2015-2016

FACOR MINERALS (NETHERLANDS) B.V.

DIRECTORS' REPORT

We have pleasure in submitting the consolidated as well as standalone financial statements of Facor Minerals (Netherlands) B.V. (the Company) for the period commencing from 01 April 2015 and ending at 31 March 2016.

1. GENERAL

Activities

The main activity of the Company is mine exploration in Turkey and in particular to trade products like Lumpy Chrome Ore, Chrome Ore Concentrate, Minerals, Metals, Rare Earth Metals and investment in Mining Companies.

Investments

The Company holds 51% of the Issued and Fully Paid Up Capital in Facor Turkkrom Mining (Netherlands) B.V. (formerly Dillenberg Bergen Realty B.V.), a Company registered in Alkmaar, The Netherlands. Facor Turkkrom Mining (Netherlands) B.V. in turn owns 100% Issued Share Capital of Cati Madencilik Ithalat ve Ihracat A.S., a Company incorporated and having registered office in Istanbul, Turkey which owns Chrome Ore Mining Licences. Aforementioned Company's financial data is consolidated in these financial statements and are referred to in these financial statements as the "Company" or "Group".

Legal Structure

The Company is a 93.5 % owned subsidiary of Facor Alloys Ltd., a Company incorporated in India and having its registered office at Shreeramnagar – 535101, Garividi, District – Vizianagram in the State of Andhra Pradesh in India. The remaining 6.5 % is owned by Rai Bahadur Shreeram & Co. Pvt. Ltd., which is also a Company incorporated in India.

2. FINANCIAL AND OPERATIONAL INFORMATION

Results for the period

During the financial year the Company incurred a net loss of USD 1,360,443. As on 31 March 2016 the Company had accumulated losses of USD 5,577,926.

Human Resources

The average number of employees of the Group for the financial year ended on 31 March 2016 is 3 (31 March 2015 : 20).

3. FUTURE OUTLOOK

Despite the current negative shareholders' equity, we are convinced that our shareholders, creditors and related parties will continue to provide adequate facilities and funding and other ongoing support to the Company. We expect the future mining operations in Turkey will benefit the Company's current financial position.

On behalf of the Board,



ASHIM SARAF
Director



ROHIT SARAF
Director

FACOR MINERALS (NETHERLANDS) B.V.

STATEMENT BY DIRECTORS

In the opinion of the directors : -

- i. The accompanying financial statements together with the notes thereto are drawn up so as to give a true and fair view of the state of affairs of the company as at 31 March 2016 and the results of the business, changes in equity and cash flows of the company for the year ended on that date; and
- ii. At the date of this statement, there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement authorised these financial statements for issue.

On behalf of the Board,


ASHIM SARAF
Director


ROHIT SARAF
Director

FACOR MINERALS (NETHERLANDS) B.V.

**CONSOLIDATED
FINANCIAL STATEMENTS
2015 – 2016**

FACOR MINERALS (NETHERLANDS) B.V. (CONSOLIDATED).

BALANCE SHEET AS ON MARCH 31, 2016.

<u>Particulars</u>		<u>As On</u> <u>March 31, 2016</u>	<u>As On</u> <u>March 31, 2015</u>
	<u>Note</u>	<u>USD</u>	<u>USD</u>
<u>ASSETS</u>			
<u>FIXED ASSETS</u>			
<u>INTANGIBLE FIXED ASSETS</u>			
Concessions, Licences & Intellectual Properties	1	115,037	89,668
Goodwill		6,854,734	7,845,779
		<u>6,969,771</u>	<u>7,935,447</u>
<u>TANGIBLE FIXED ASSETS</u>			
Property, Plant & Equipment	2	<u>2,498,135</u>	<u>2,313,385</u>
<u>FINANCIAL FIXED ASSETS</u>			
Other Non-Current Assets	3	<u>51,609</u>	<u>13,412</u>
<u>CURRENT ASSETS</u>			
<u>STOCK</u>			
Inventories - Work in Process & Semi-Finished Goods	4	<u>23,099</u>	<u>25,074</u>
<u>RECEIVABLES</u>			
Taxes Receivable	5	316,461	330,392
Trade Receivables	6	1,972	2,140
Prepayments & Accrued Income	7	<u>25,726</u>	<u>25,281</u>
		<u>344,159</u>	<u>357,813</u>
<u>CASH AT BANK</u>			
Cash and Cash Equivalents	8	<u>32,353</u>	<u>417,367</u>
<u>TOTAL ASSETS</u>		<u><u>9,919,126</u></u>	<u><u>11,062,498</u></u>

For and on behalf of the Board


ASHIM SARAF
DIRECTOR


BOHIT SARAF
DIRECTOR

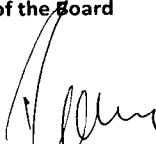
FACOR MINERALS (NETHERLANDS) B.V. (CONSOLIDATED).

BALANCE SHEET AS ON MARCH 31, 2016.

<u>Particulars</u>		<u>As On</u> <u>March 31, 2016</u>	<u>As On</u> <u>March 31, 2015</u>
	<u>Note</u>	<u>USD</u>	<u>USD</u>
<u>EQUITY AND LIABILITIES</u>			
<u>EQUITY</u>			
<u>SHAREHOLDERS EQUITY</u>			
Issued & Paid-up Share Capital	9	2,301,605	2,301,605
Share Premium Reserve	10	1	1
Statutory Reserves	11	(833,653)	(471,540)
Other Reserves	12	(5,577,926)	(4,688,126)
		<u>(4,109,973)</u>	<u>(2,858,060)</u>
<u>MINORITY INTEREST</u>	13	<u>(14,954)</u>	<u>(11,715)</u>
<u>LIABILITIES</u>			
<u>LONG TERM LIABILITIES</u>			
Debts to Credit Institutions	14	888,401	9,200,000
Debts to Related Parties & Other Companies	15	1,075,000	500,000
Other Debts	16	466	9,737
		<u>1,963,867</u>	<u>9,709,737</u>
<u>CURRENT LIABILITIES</u>			
Debts to Credit Institutions	17	300,000	2,335,465
Trade and Other Creditors	18	439,647	318,674
Debts to Related Parties	19	10,654,810	475,000
Debts to Shareholders	20	305,000	30,000
Other Debts	21	380,729	1,063,397
		<u>12,080,186</u>	<u>4,222,536</u>
<u>TOTAL EQUITY AND LIABILITIES</u>		<u>9,919,126</u>	<u>11,062,498</u>

For and on behalf of the Board


ASHIM SARAF
DIRECTOR


ROHIT SARAF
DIRECTOR

FACOR MINERALS (NETHERLANDS) B.V. (CONSOLIDATED).

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING ON MARCH 31, 2016.

<u>Particulars</u>	<u>Note</u>	<u>Year Ended</u>	<u>Year Ended</u>
		<u>March 31, 2016</u>	<u>March 31, 2015</u>
		<u>USD</u>	<u>USD</u>
Sales	22	0	308,912
Cost of Sales	23	0	887,089
GROSS OPERATING RESULT		0	(578,177)
Amortisation - Intangible Fixed Assets	24	991,046	991,046
Marketing & Selling Expenses	25	10,494	47,958
General Expenses	26	108,717	270,497
TOTAL OPERATING COSTS		1,110,257	1,309,501
OPERATING RESULT		(1,110,257)	(1,887,678)
Interest Income & Similar Revenues	27	16,208	2,674
Interest Expenses & Similar Costs	28	(315,094)	(783,227)
SUM OF FINANCIAL INCOME & EXPENSES		(298,886)	(780,553)
RESULT ON ORDINARY ACTIVITIES (BEFORE TAX)		(1,409,143)	(2,668,231)
Taxation	29	40,492	(814)
Result Minority Interest	30	107,512	477,102
RESULT ON ORDINARY ACTIVITIES (AFTER TAX)		(1,261,139)	(2,191,943)
Non Operating Profits	31	0	0
Non Operating Losses	32	(99,304)	(78,320)
OTHER PROFITS		(99,304)	(78,320)
RESULT AFTER TAXATION		(1,360,443)	(2,270,263)

For and on behalf of the Board


ASHIM SARAF
DIRECTOR


ROHIT SARAF
DIRECTOR

FACOR MINERALS (NETHERLANDS) B.V. (CONSOLIDATED).

NOTES TO THE CONSOLIDATED BALANCE SHEET AS ON MARCH 31, 2016.

These Notes form an integral part of and should be read in conjunction with the accompanying financial statements.

ASSETS

FIXED ASSETS

1 INTANGIBLE FIXED ASSETS

A summary of the movements of intangible fixed assets is given below :

	<u>CNCNS., LICNES, & INTLCTL.PRPRTS.</u>	<u>GOODWILL</u>
	US\$	US\$
Acquisition Value	126,792	9,910,458
Amortisation (2012-13)	0	(82,587)
Book Value as on 31 March 2013	126,792	9,827,871
Movement (2013-14)	(15,893)	0
Amortisation (2013-14)	(3,458)	(991,046)
Accumulated Depreciation (2013-14)	(3,458)	(1,073,633)
Book Value as on 31 March 2014	107,441	8,836,825
Movement (2014-15)	(17,862)	0
Amortisation (2014-15) - Adjustment	89	(991,046)
Accumulated Depreciation (2014-15)	(3,369)	(2,064,679)
Book Value as on 31 March 2015	89,668	7,845,779
Movement (2015-16)	26,656	0
Amortisation (2015-16)	(1,287)	(991,046)
Accumulated Depreciation (2015-16)	(4,656)	(3,055,724)
Book Value as on 31 March 2016	115,037	6,854,734

2 TANGIBLE FIXED ASSETS

A summary of the movements of tangible fixed assets is given below :

	<u>PRPRTS., PLANT & EQPMNT.</u>
	US\$
Acquisition Value	635,159
Depreciation (2013-2014)	(28,379)
Book Value as on 31 March 2014	606,780
Investments (2014-2015)	1,776,664
Movements (2014-2015)	(70,059)
Depreciation (2014-2015)	(98,438)
Book Value as on 31 March 2015	2,313,385
Investments (2015-2016)	458,561
Movements (2015-2016)	(273,811)
Depreciation (2015-2016)	(83,821)
Book Value as on 31 March 2016	2,498,135

NOTES TO THE CONSOLIDATED BALANCE SHEET AS ON MARCH 31, 2016.

3 OTHER NON CURRENT ASSETS	<u>31-03-2016</u>	<u>31-03-2015</u>
	USD	USD
Deposits and Guarantees	10,647	13,412
Deferred Tax Assets	40,962	0
	<u>51,609</u>	<u>13,412</u>
CURRENT ASSETS		
4 STOCK	<u>31-03-2016</u>	<u>31-03-2015</u>
	USD	USD
Inventories - Work in Process & Semi-Finished Goods	<u>23,099</u>	<u>25,074</u>
5 TAXES RECEIVABLE	<u>31-03-2016</u>	<u>31-03-2015</u>
	USD	USD
Value Added Tax Carried Forward	<u>316,461</u>	<u>330,392</u>
6 TRADE RECEIVABLES	<u>31-03-2016</u>	<u>31-03-2015</u>
	USD	USD
Trade Receivables	<u>1,972</u>	<u>2,140</u>
7 PREPAYMENTS AND ACCRUED INCOME	<u>31-03-2016</u>	<u>31-03-2015</u>
	USD	USD
Prepaid Expenses Fee	1,129	3,387
Prepaid Taxes	4,768	0
Advances	19,829	21,894
	<u>25,726</u>	<u>25,281</u>
8 CASH AND CASH EQUIVALENTS	<u>31-03-2016</u>	<u>31-03-2015</u>
	USD	USD
A) Cash and Bank equivalents		
Cash in hand	14,022	13,540
Bank Balances in Current Account	3,087	12,583
Bank Balances in Fixed Deposit (under 3 months)	15,244	16,244
	<u>32,353</u>	<u>42,367</u>
B) Bank Balances in Fixed Deposit		
Bank Balances in Fixed Deposit (over 12 months)	0	375,000
	<u>32,353</u>	<u>417,367</u>

Cati Madencilik's fixed deposit of USD 375,000 with Bank of India, London was under lien to BOI, London but has now been appropriated against principal and interest dues on 1.5 Million Loan by BOI, London.

NOTES TO THE CONSOLIDATED BALANCE SHEET AS ON MARCH 31, 2016.

EQUITY AND LIABILITIES

SHAREHOLDERS' EQUITY

9 ISSUED SHARE CAPITAL	<u>31-03-2016</u>	<u>31-03-2015</u>
	USD	USD
Value as of 1 April	2,301,605	1,496,059
Shares issued during the year	<u>0</u>	<u>805,546</u>
Value as of 31 March	<u><u>2,301,605</u></u>	<u><u>2,301,605</u></u>
<p>The share capital is divided into shares of USD 1 each. As per the date of this report 2,301,605 shares have been issued.</p>		
10 SHARE PREMIUM RESERVE	<u>31-03-2016</u>	<u>31-03-2015</u>
	USD	USD
Value as of 1 April	1	0
Contribution during the year	<u>0</u>	<u>1</u>
Value as of 31 March	<u><u>1</u></u>	<u><u>1</u></u>
11 STATUTORY RESERVE	<u>31-03-2016</u>	<u>31-03-2015</u>
	USD	USD
Value as of 1 April	(471,540)	(166,375)
Translation difference on Share Capital for the year	<u>(362,113)</u>	<u>(305,165)</u>
Value as of 31 March	<u><u>(833,653)</u></u>	<u><u>(471,540)</u></u>
12 OTHER RESERVES	<u>31-03-2016</u>	<u>31-03-2015</u>
	USD	USD
Value as of 1 April	(4,688,125)	(2,385,286)
From proposed profit appropriation	(1,360,443)	(2,270,262)
Net Asset value adjustment participation	<u>470,642</u>	<u>(32,577)</u>
Value as of 31 March	<u><u>(5,577,926)</u></u>	<u><u>(4,688,125)</u></u>
13 MINORITY INTEREST	<u>31-03-2016</u>	<u>31-03-2015</u>
	USD	USD
Third Party Share		
Facor Turkkrom Mining (Netherlands) B.V.	<u><u>(14,954)</u></u>	<u><u>(11,715)</u></u>

NOTES TO THE CONSOLIDATED BALANCE SHEET AS ON MARCH 31, 2016.

LONG TERM LIABILITIES

14 DEBTS TO CREDIT INSTITUTIONS	31-03-2016	31-03-2015
	USD	USD
Loan Bank of India, Jersey (Long Term Portion)	0	8,000,000
Loan Bank of India, London (Long Term Portion)	888,401	1,200,000
	<u>888,401</u>	<u>9,200,000</u>
Loan Bank of India, Jersey value as of 1 April	8,000,000	0
Loan received during the year	0	10,000,000
Loan Bank of India, Jersey value as of 31 March	8,000,000	10,000,000
Relay obligation for next financial year	0	(2,000,000)
Long Term part of Loan Bank of India, Jersey value as of 31 March	8,000,000	8,000,000
Loan adjusted during the year (by debiting account of Guarantor, FAL)	(8,000,000)	0
Loan Bank of India, Jersey value as of 31 March	<u>0</u>	<u>8,000,000</u>

This loan had been applied for acquisition of 51% of Facor Turkkrom Mining (Netherlands) B.V.
This loan has now been declared NPA and debited to account of guarantor, Facor Alloys Ltd.

Loan Bank of India, London value as of 1 April	1,200,000	0
Loan received during the year	0	1,500,000
Loan Bank of India, London value as of 31 March	1,200,000	1,500,000
Relay obligation for next financial year	(300,000)	(300,000)
Long Term part of Loan Bank of India, London value as of 31 March	900,000	1,200,000
Loan adjusted during the year (by appropriating Fixed Deposit + Int..)	(11,599)	0
Loan Bank of India, London value as of 31 March	<u>888,401</u>	<u>1,200,000</u>

This loan had been applied for acquisition of Capital Assets of COB Plant of Cati Madencilik Ith. Ve Ith. A.S.
The loan from BOI-L bears an interest of 6 Mths.Libor + 6% & is repayable in 20 qtrly.instmnts.of \$75,000.

15 DEBTS TO RELATED PARTIES & OTHER COMPANIES	31-03-2016	31-03-2015
	USD	USD
Loan Trusta Trading Company Inc., Panama	500,000	500,000
Loan Facor Minerals Pte. Ltd., Singapore	475,000	0
Loan Gcorp. FZE UAE	100,000	0
	<u>1,075,000</u>	<u>500,000</u>

The loan from Trusta Trading Co.Inc., bears an interest of 12 Mths.Libor + 4% & is repayable after 5 years.
The loan from Facor Minerals Pte. Ltd., Singapore bears an interest of 6% and is repayable on 5 years.

16 OTHER DEBTS	31-03-2016	31-03-2015
	USD	USD
Finance Lease Liabilities	0	9,737
Employee Termination Benefits	466	0
	<u>466</u>	<u>9,737</u>

NOTES TO THE CONSOLIDATED BALANCE SHEET AS ON MARCH 31, 2016.

CURRENT LIABILITIES

17 DEBTS TO CREDIT INSTITUTIONS	<u>31-03-2016</u>	<u>31-03-2015</u>
	USD	USD
A Loan Bank of India, Jersey (Short Term Portion)	0	2,000,000
B Loan Bank of India, London (Short Term Portion)	<u>300,000</u>	<u>335,465</u>
	<u>300,000</u>	<u>2,335,465</u>
18 TRADE AND OTHER CREDITORS	<u>31-03-2016</u>	<u>31-03-2015</u>
	USD	USD
Trade Payables - Turkey	227,940	267,330
Other Payables - Turkey	141,348	11,048
Vistra (Netherlands) B.V.	24,779	34,254
Taxture Global Tax Advice (IIFA Tax Advisors)	34,439	6,042
Liberation Management (Netherlands) N.V.	2,480	0
B.K. Corporate International B.V.	8,077	0
Orsel Notary	584	0
	<u>439,647</u>	<u>318,674</u>
19 DEBTS TO RELATED PARTIES	<u>31-03-2016</u>	<u>31-03-2015</u>
	USD	USD
Loan Facor Minerals Pte. Ltd., Singapore	0	475,000
Current Account Trusta Trading Company Inc., Panama	200,000	0
Current Account Grand Trillion Ltd., Singapore	300,000	0
Loan Facor Alloy Ltd., India	<u>10,154,810</u>	<u>0</u>
	<u>10,654,810</u>	<u>475,000</u>
The loan from BOI, Jersey + interest due, has been declared NPA & debited to a/c. of Facor Alloys Ltd.		
20 DEBTS TO SHAREHOLDERS	<u>31-03-2016</u>	<u>31-03-2015</u>
	USD	USD
Debts to Facor Alloy Ltd., India	230,000	30,000
Debts to R.B. Shreeram & Co. Pvt. Ltd., India	<u>75,000</u>	<u>0</u>
	<u>305,000</u>	<u>30,000</u>

21 OTHER DEBTS

	<u>31-03-2016</u>	<u>31-03-2015</u>
	USD	USD
Current Account - Trusta Trading Co. Inc., Panama	0	200,000
Current Account - Grand Trillion Co., Singapore	0	300,000
Loan - Gcorp. FZE UAE	0	100,000
Advances received - Cevik Madencilik	89,745	89,745
Advances received - Harun Mugaoglu	70,586	76,622
Advances received - DDR	7,575	0
Finance Lease liabilities	8,979	27,710
Interest on loan from Facor Minerals Pte. Ltd., Singapore	77,758	49,180
Interest on loan from Trusta Trading Company Inc., Panama	45,062	22,233
Interest on loan from Gcorp UAE FZE	5,523	0
Interest on loan from Bank of India, Jersey	0	122,132
Interest on loan from Bank of India, London	64,041	0
Accounting charges	3,099	0
Audit charges	1,500	22,317
General expenses	0	3,211
Legal charges	0	1,000
Management Fee	0	8,434
Tax Advisory charges	2,755	13,892
Taxes and Dues payable	4,106	0
Personnel Dues	0	823
Other payables	0	26,098
	<u>380,729</u>	<u>1,063,397</u>

The exchange rate used on balance sheet date is March 31, 2016 : EURO 1 = USD 1.13849

FACOR MINERALS (NETHERLANDS) B.V. (CONSOLIDATED).

NOTES TO THE CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING ON MARCH 31, 2016.

These Notes form an integral part of and should be read in conjunction with the accompanying financial statements.

OPERATING INCOME AND EXPENSES

22 SALES	31-03-2016	31-03-2015
	USD	USD
Chrome Ore Sales	<u>0</u>	<u>308,912</u>
23 COST OF SALES	31-03-2016	31-03-2015
	USD	USD
Cost of Goods sold (Mining and Productio Costs)	<u>0</u>	<u>887,089</u>
24 AMORTISATION - INTANGIBLE FIXED ASSETS	31-03-2016	31-03-2015
	USD	USD
Goodwill	<u>991,046</u>	<u>991,046</u>
25 MARKETING AND SELLING EXPENSES	31-03-2016	31-03-2015
	USD	USD
Guest House Expenses	<u>10,494</u>	<u>47,958</u>
26 GENERAL EXPENSES	31-03-2016	31-03-2015
	USD	USD
Mining Area expenses	67,778	108,813
Kayseri Office expenses	0	50,521
Administration charges	15,830	23,685
Auditing charges	0	12,396
Legal charges	552	20,763
Management fess	19,823	28,764
Notary charges	913	2,613
Tax Advisory charges	3,100	12,511
Other General expenses	721	10,431
	<u>108,717</u>	<u>270,497</u>

NOTES TO THE CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING ON MARCH 31, 2016.

FINANCIAL INCOME AND EXPENSES

27 INTEREST INCOME AND SIMILAR REVENUES	31-03-2016	31-03-2015
	USD	USD
Interest Income	16,208	2,674
28 INTEREST EXPENSES AND SIMILAR COSTS	31-03-2016	31-03-2015
	USD	USD
Bank arrangement fees	0.00	60,000
Bank fees and provisions	4,106.00	27,621
Exchange difference	6,438.00	10,921
Interest on loan from Facor Minerals Pte. Ltd., Singapore	28,578.00	28,500
Interest on loan from Trusta Trading Company Inc., Panama	22,828.00	21,791
Interest on loan from GCORP FZE UAE	4,000.00	0
Interest on term deposits from IS Bank	3,153.00	0
Interest on loan from Bank of India, London (CMIVI)	64,041.00	0
Interest on loan from Bank of India, London (FMN)	0.00	198,099
Interest on loan from Bank of India, Jersey	181,950.00	436,295
	315,094.00	783,227
29 TAXATION	31-03-2016	31-03-2015
	USD	USD
Deferred Tax Income / Expense, net	40,492	(814)
30 RESULT MINORITY INTEREST	31-03-2016	31-03-2015
	USD	USD
Facor Turkkrom Mining (Netherlands) B.V.	107,512	477,102
31 NON OPERATING PROFITS	31-03-2016	31-03-2015
	USD	USD
Other Profits	0	0
32 NON OPERATING LOSSES	31-03-2016	31-03-2015
	USD	USD
Other Losses	99,304	78,320

The exchange rate used on balance sheet date is March 31, 2016 : EURO 1 = USD 1.13849

FACOR MINERALS (NETHERLANDS) B.V.

**STANDALONE
FINANCIAL STATEMENTS
2015 – 2016**

FACOR MINERALS (NETHERLANDS) B.V. (STANDALONE).

BALANCE SHEET AS ON MARCH 31, 2016.

<u>Particulars</u>		<u>As On</u> <u>March 31, 2016</u>	<u>As On</u> <u>March 31, 2015</u>
	<u>Note</u>	<u>USD</u>	<u>USD</u>
<u>ASSETS</u>			
<i>FIXED ASSETS</i>			
<i>INTANGIBLE FIXED ASSETS</i>			
Goodwill	1	<u>6,854,734</u>	<u>7,845,779</u>
<i>FINANCIAL FIXED ASSETS</i>			
Investment in Participations	2	(15,565)	(12,193)
Receivables from Group Companies	3	<u>0</u>	<u>500,000</u>
		(15,565)	487,807
<i>CURRENT ASSETS</i>			
<i>TRADE & OTHER RECEIVABLES</i>			
Receivables from Participations	4	1,113,800	520,800
Taxes Receivable	5	0	1,596
Other Receivables	6	<u>31,437</u>	<u>23,457</u>
		1,145,237	545,853
<i>CASH AT BANK</i>			
Cash and Cash Equivalents	7	<u>2,568</u>	<u>12,118</u>
<u>TOTAL ASSETS</u>		<u>7,986,974</u>	<u>8,891,557</u>

For and on behalf of the Board


ASHIM SARAF
DIRECTOR


ROHIT SARAF
DIRECTOR

FACOR MINERALS (NETHERLANDS) B.V. (STANDALONE).

BALANCE SHEET AS ON MARCH 31, 2016.

<u>Particulars</u>		<u>As On</u> <u>March 31, 2016</u>	<u>As On</u> <u>March 31, 2015</u>
	<u>Note</u>	<u>USD</u>	<u>USD</u>
<u>EQUITY AND LIABILITIES</u>			
<u>SHAREHOLDERS EQUITY</u>			
Issued Share Capital	8	2,301,605	2,301,605
Share Premium Reserve	9	1	1
Translation Reserve	10	(833,653)	(471,540)
Other Reserves	11	<u>(5,577,926)</u>	<u>(4,688,125)</u>
		<u>(4,109,973)</u>	<u>(2,858,059)</u>
<u>LONG TERM LIABILITIES</u>			
Debts to Credit Institutions	12	0	8,000,000
Debts to Related Parties	13	<u>11,129,810</u>	<u>500,000</u>
		<u>11,129,810</u>	<u>8,500,000</u>
<u>CURRENT LIABILITIES</u>			
Debts to Credit Institutions	14	0	2,000,000
Trade and Other Creditors	15	34,841	40,296
Debts to Related Parties	16	500,000	975,000
Debts to Shareholders	17	305,000	30,000
Other Debts	18	<u>127,296</u>	<u>204,320</u>
		<u>967,137</u>	<u>3,249,616</u>
<u>TOTAL EQUITY AND LIABILITIES</u>		<u>7,986,974</u>	<u>8,891,557</u>

For and on behalf of the Board


ASHIM SARAF
DIRECTOR


ROHIT SARAF
DIRECTOR

FACOR MINERALS (NETHERLANDS) B.V. (STANDALONE).

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING ON MARCH 31, 2016.

<u>Particulars</u>	<u>Note</u>	<u>Year Ended</u>	<u>Year Ended</u>
		<u>March 31, 2016</u>	<u>March 31, 2015</u>
		<u>USD</u>	<u>USD</u>
Amortisation - Intangible Fixed Assets	19	(991,046)	(991,046)
General Expenses	20	(23,699)	(66,716)
OPERATING RESULT		(1,014,745)	(1,057,762)
Interest Income & Similar Revenues	21	0	29,869
Interest Expenses & Similar Costs	22	(233,798)	(745,794)
SUM OF FINANCIAL INCOME & EXPENSES		(233,798)	(715,925)
Result on Ordinary Activities		(1,248,543)	(1,773,687)
Participants Share in Results		(111,900)	(496,575)
RESULT		(1,360,443)	(2,270,262)

For and on behalf of the Board


ASHIM SARAF
DIRECTOR


ROHIT SARAF
DIRECTOR

FACOR MINERALS (NETHERLANDS) B.V. (STANDALONE).

NOTES TO THE STANDALONE BALANCE SHEET AS ON MARCH 31, 2016.

These Notes form an integral part of and should be read in conjunction with the accompanying financial statements.

ASSETS

FIXED ASSETS

1 INTANGIBLE FIXED ASSETS

A summary of the movements of intangible fixed assets - goodwill is given below :

	<u>GOODWILL</u>
	US\$
Acquisition Value	9,910,458
Current Year Amortisation (2012-13)	<u>(82,587)</u>
Book Value as on 31 March 2013	<u>9,827,871</u>
Current Year Amortisation (2013-14)	(991,046)
Accumulated Depreciation as on 31 March 2014	<u>(1,073,633)</u>
Book Value as on 31 March 2014	<u>8,836,825</u>
Current Year Amortisation (2014-15)	(991,046)
Accumulated Depreciation as on 31 March 2015	<u>(2,064,679)</u>
Book Value as on 31 March 2015	<u>7,845,779</u>
Current Year Amortisation (2015-16)	(991,046)
Accumulated Depreciation as on 31 March 2016	<u>(3,055,724)</u>
Book Value as on 31 March 2016	<u>6,854,734</u>

FINANCIAL FIXED ASSETS

2 INVESTMENT IN PARTICIPATION

The participations of the Company in Group Company have been divided as follows :

<u>Name & Statutory Place of Business & Share in Capital</u>	<u>Equity</u>	<u>Result</u>
	USD	USD
Facor Turkkrom Mining (N) B.V. Alkmaar 51 %	(30,519)	(219,412)
	<u>31-03-2016</u>	<u>31-03-2015</u>
	USD	USD
Facor Turkkrom Mining (Netherlands) B.V.		
Value as of 1 April	(12,193)	822,124
Issued Shares	<u>0</u>	<u>0</u>
	(12,193)	822,124
Share in result	(111,900)	(496,575)
Exchange Difference	<u>(362,113)</u>	<u>(305,165)</u>
	(486,207)	20,384
Net Asset value adjustment	<u>470,642</u>	<u>(32,577)</u>
Value as of 31 March	<u>(15,565)</u>	<u>(12,193)</u>

NOTES TO THE STANDALONE BALANCE SHEET AS ON MARCH 31, 2016.

3 RECEIVABLES FROM GROUP COMPANIES	<u>31-03-2016</u>	<u>31-03-2015</u>
	USD	USD
Loan Cati Madencilik Ithalat ve Ihracat A.S. as of 1 April	500,000	500,000
Converted to Advance against Sale of Chrome Ore as on 1 April	<u>(500,000)</u>	<u>0</u>
	<u>0</u>	<u>500,000</u>
CURRENT ASSETS		
4 RECEIVABLES FROM PARTICIPATIONS	<u>31-03-2016</u>	<u>31-03-2015</u>
	USD	USD
Current Account Cati Madencilik as of 1 April	520,800	0
Movement during the year	<u>593,000</u>	<u>520,800</u>
Current Account Cati Madencilik as of 31 March	<u>1,113,800</u>	<u>520,800</u>
5 TAXES RECEIVABLE	<u>31-03-2016</u>	<u>31-03-2015</u>
	USD	USD
Value Added Tax	<u>0</u>	<u>1,596</u>
6 OTHER RECEIVABLES	<u>31-03-2016</u>	<u>31-03-2015</u>
	USD	USD
Interest receivable from Cati Madencilik Ithalat ve Ihracat A.S.	23,457	23,457
Advance refundable from Facor Turkkrom Mining B.V.	<u>7,980</u>	<u>0</u>
	<u>31,437</u>	<u>23,457</u>
7 CASH AND CASH EQUIVALENTS	<u>31-03-2016</u>	<u>31-03-2015</u>
	USD	USD
ING Bank USD Account	0	1,339
ING Bank Euro Account	1,119	419
Bank of India, London USD Account	729	8,269
Bank of India, Jersey USD Account	<u>720</u>	<u>2,091</u>
	<u>2,568</u>	<u>12,118</u>

EQUITY AND LIABILITIES

SHAREHOLDERS' EQUITY

8 ISSUED SHARE CAPITAL	<u>31-03-2016</u>	<u>31-03-2015</u>
	USD	USD
Value as of 1 April	2,301,605	1,496,059
Shares issued the year	<u>0</u>	<u>805,546</u>
Value as of 31 March	<u>2,301,605</u>	<u>2,301,605</u>

The share capital is divided into shares of USD 1 each.
As per the date of this report 2,301,605 shares have been issued.

NOTES TO THE STANDALONE BALANCE SHEET AS ON MARCH 31, 2016.

9 SHARE PREMIUM RESERVE	31-03-2016	31-03-2015
	USD	USD
Value as of 1 April	1	0
Contribution during the year	0	1
Value as of 31 March	<u>1</u>	<u>1</u>

10 RESERVE FOR TRANSLATION DIFFERENCE	31-03-2016	31-03-2015
	USD	USD
Value as of 1 April	(471,540)	(166,375)
Translation difference on Share Capital for the year	(362,113)	(305,165)
Value as of 31 March	<u>(833,653)</u>	<u>(471,540)</u>

11 OTHER RESERVES	31-03-2016	31-03-2015
	USD	USD
Value as of 1 April	(4,688,125)	(2,385,286)
From proposed profit appropriation	(1,360,443)	(2,270,262)
Net Asset value adjustment participation	470,642	(32,577)
Value as of 31 March	<u>(5,577,926)</u>	<u>(4,688,125)</u>

LONG TERM LIABILITIES

12 DEBTS TO CREDIT INSTITUTIONS	31-03-2016	31-03-2015
	USD	USD
Loan Bank of India, Jersey value as of 1 April	8,000,000	0
Loan received during the year	0	10,000,000
Loan Bank of India, Jersey value as of 31 March	8,000,000	10,000,000
Relay obligation for next financial year	0	(2,000,000)
Lon Term part of Loan Bank of India, Jersey value as of 31 March	8,000,000	8,000,000
Loan adjusted during the year (by debiting account of Guarantor, FAL)	(8,000,000)	0
Loan Bank of India, Jersey value as of 31 March	<u>0</u>	<u>8,000,000</u>

This loan had been applied for acquisition of 51% of Facor Turkkrom Mining (Netherlands) B.V.
This loan has now been declared NPA and debited to account of guarantor, Facor Alloys Ltd.

13 DEBTS TO RELATED PARTIES	31-03-2016	31-03-2015
	USD	USD
Loan Trusta Trading Company Inc., Panama	500,000	500,000
Loan Facor Minerals Pte. Ltd., Singapore	475,000	0
Loan Facor Alloy Ltd., India	10,154,810	0
	<u>11,129,810</u>	<u>500,000</u>

The loan from Trusta Trading Co.Inc., bears an interest of 12 Mths.Libor + 4% & is repayable after 5 years.
The loan from Facor Minerals Pte. Ltd., Singapore bears an interest of 6% and is repayable on 5 years.
This loan from BOI, Jersey + interest due, has been declared NPA & debited to a/c. of Facor Alloys Ltd.

NOTES TO THE STANDALONE BALANCE SHEET AS ON MARCH 31, 2016.

CURRENT LIABILITIES

14 DEBTS TO CREDIT INSTITUTIONS	<u>31-03-2016</u>	<u>31-03-2015</u>
	USD	USD
Short Term portion of Loan Bank of India, Jersey value as of 1 April	2,000,000	0
Relay obligation for current financial year	0	2,000,000
Loan adjusted during the year (by debiting account of Guarantor, FAL)	<u>(2,000,000)</u>	<u>0</u>
Short Term portion of Loan Bank of India, Jersey value as of 31 March	<u>0</u>	<u>2,000,000</u>
<p>This loan had been applied for acquisition of 51% of Facor Turkkrom Mining (Netherlands) B.V. This loan has now been declared NPA and debited to account of guarantor, Facor Alloys Ltd.</p>		
15 TRADE AND OTHER CREDITORS	<u>31-03-2016</u>	<u>31-03-2015</u>
	USD	USD
Vistra (Netherlands) B.V.	15,830	34,254
Taxture Global Tax Advice (IIFA Tax Advisors)	16,531	6,042
Liberation Management (Netherlands) N.V.	2,480	0
	<u>34,841</u>	<u>40,296</u>
16 DEBTS TO RELATED PARTIES	<u>31-03-2016</u>	<u>31-03-2015</u>
	USD	USD
Loan Facor Minerals Pte. Ltd., Singapore	0	475,000
Current Account Trusta Trading Company Inc., Panama	200,000	200,000
Current Account Grand Trillion Ltd., Singapore	300,000	300,000
	<u>500,000</u>	<u>975,000</u>
17 DEBTS TO SHAREHOLDERS	<u>31-03-2016</u>	<u>31-03-2015</u>
	USD	USD
Debts to Facor Alloy Ltd., India	230,000	30,000
Debts to R.B.Shreeram & Co. Pvt. Ltd., India	75,000	0
	<u>305,000</u>	<u>30,000</u>
18 OTHER DEBTS	<u>31-03-2016</u>	<u>31-03-2015</u>
	USD	USD
Management charges	3,099.54	5,648
Tax advisory charges	1,377.57	4,128
General expenses	0.00	1,000
Interest on loan from Facor Minerals Pte. Ltd., Singapore	77,757.53	49,179
Interest on loan from Trusta Trading Company Inc., Panama	45,061.51	22,233
Interest on loan from Bank of India, Jersey	0.00	122,132
	<u>127,296.16</u>	<u>204,320</u>

The exchange rate used on balance sheet date is March 31, 2016 : EURO 1 = USD 1.13849

FACOR MINERALS (NETHERLANDS) B.V. (STANDALONE).

NOTES TO THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING ON MARCH 31, 2016.

These Notes form an integral part of and should be read in conjunction with the accompanying financial statements.

OPERATING EXPENSES

19 AMORTISATION - INTANGIBLE FIXED ASSETS	31-03-2016	31-03-2015
	USD	USD
Goodwill	991,046	991,046

20 GENERAL EXPENSES	31-03-2016	31-03-2015
	USD	USD
Administration charges	15,830	23,685
Auditing charges	0	5,561
Tax advisory charges	1,378	5,306
Legal charges	0	20,763
Management charges	5,579	5,250
Notary charges	913	1,949
VAT - non refundable	0	4,202
	23,699	66,716

21 INTEREST INCOME AND SIMILAR REVENUES	31-03-2016	31-03-2015
	USD	USD
Interest loan Cati Madencilik Ithalat ve Ihracat A.S.	0	23,024
Exchange difference	0	6,845
	0	29,869

22 INTEREST EXPENSES AND SIMILAR COSTS	31-03-2016	31-03-2015
	USD	USD
Bank arrangement fees	0	60,000
Bank fees and provisions	441	1,109
Interest on loan from Facor Minerals Pte. Ltd., Singapore	28,578	28,500
Interest on loan from Trusta Trading Company Inc., Panama	22,828	21,791
Interest on loan from Bank of India, London	0	198,099
Interest on loan from Bank of India, Jersey	181,950	436,295
	233,798	745,794

The exchange rate used on balance sheet date is March 31, 2016 : EURO 1 = USD 1.13849