

Southgate Business Corp.
Balance Sheet as at 31st December, 2015

Particulars		Note No.	As at 31st Dec, 2015	As at 31st Dec, 2014
			\$	\$
A	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	3	50,000	50,000
	(b) Reserves and surplus	4	8,94,829	2,48,816
			9,44,829	2,98,816
2	Non-current liabilities			
	(a) Long-term borrowings	5	2,77,05,189	2,50,23,668
			2,77,05,189	2,50,23,668
3	Current liabilities		-	-
	TOTAL		2,86,50,018	2,53,22,484
B	ASSETS			
1	Non-current assets		-	-
2	Current assets			
	(a) Current investments	6	2,82,49,373	2,24,97,311
	(b) Cash and cash equivalents	7	1,34,299	24,44,693
	(c) Short-term loans and advances	8	2,64,710	2,64,710
	(d) Other current assets	9	1,636	1,15,770
			2,86,50,018	2,53,22,484
	TOTAL		2,86,50,018	2,53,22,484
See accompanying notes forming part of the financial statements				

For Southgate Business Corp.

Amit D.Patel
Director

Southgate Business Corp.

Statement of Profit and Loss for the 12 months ended 31st December, 2015

	Particulars	Note No.	For the 12 months ended 31 Dec, 2015	For the 12 months ended 31 Dec, 2014
			\$	\$
1	Revenue from operations (net)	10	-	-
2	Other income		11,64,548	2,36,220
3	Total revenue (1+2)		11,64,548	2,36,220
4	Expenses	11 12		
	(a) Finance costs		29,643	947
	(b) Other expenses		4,88,892	17,418
	Total expenses		5,18,535	18,365
5	Profit for the year (3-4)		6,46,013	2,17,855

For Southgate Business Corp.

Amit D.Patel
Director

Southgate Business Corp.
Cash Flow Statement for the year ended December 31,2015

Particulars	For the year ended 31st Dec., 2015	For the year ended 31st Dec., 2014
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before exceptional items and tax	6,46,013	2,17,855
Depreciation	-	-
Finance cost	29,643	947
Operating profit before working capital changes	6,75,655	2,18,802
Adjustment for :		
Short-term loans and advances	1,14,134	(3,80,480)
Cash generated from / (used in) operations	7,89,790	(1,61,678)
Direct taxespaid (net)	-	-
Net cash generated from / (used in) Operating Activities- (A)	7,89,790	(1,61,678)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Sale / (purchase) of current investments	(57,52,062)	(2,24,97,311)
Net cash (used in) Investing Activities - (B)	(57,52,062)	(2,24,97,311)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Loan received from / (paid back to) holding companies	26,81,521	2,50,23,668
Finance cost	(29,643)	(947)
Net cash generated from / (used in) Financing Activities - (C)	26,51,878	2,50,22,721
Net Increase/(Decrease) in Cash And Cash Equivalents (A+B+C)	(23,10,394)	23,63,732
Cash and Cash Equivalents at the Begnining of the year	24,44,693	80,961
Cash and Cash Equivalents at the end of the year	1,34,299	24,44,693

For Southgate Business Corp.

Amit D. Patel
Director

Southgate Business Corp.
Notes forming part of the financial statements

1 Company Information

Southgate Business Corp. is a BVI company with limited liability, incorporated on September 06, 2012 and has its statutory seat in Tortola, British Virgin Island. The Company mainly acts as a holding and finance company.

2 Significant accounting policies

a) Basis of preparation of Financial Statements

The financial statements of the company have been prepared in accordance with the generally accepted accounting principles in India (Indian Gaap) to comply with the accounting standards specified under section 133 of the companies Act, 2013. read with Rule 7 of the companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act")/ Companies Act, 1956 ("the 1956 Act"). as applicable. The financial statements have been prepared on accrual basis under the historical cost convention.

b) Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the difference between the actual results and the estimates are recognised in the periods in which the results are known/materialise.

c) Investments

Long term investments are stated at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary in nature. Current investments are stated at lower of cost or fair value.

Southgate Business Corp.
Notes forming part of the financial statements

Note 3 Share capital

Particulars	As at 31st Dec, 2015	As at 31st Dec, 2014
	\$	\$
Authorised		
50,000 Equity Shares of \$1 each	50,000	50,000
Total	50,000	50,000
Issued		
50,000 Equity Shares of \$1 each	50,000	50,000
Total	50,000	50,000
Subscribed and fully paid up		
50,000 Equity Shares of \$1 each	50,000	50,000
Total	50,000	50,000

Note 4 Reserves and surplus

Particulars	As at 31st Dec, 2015	As at 31st Dec, 2014
	\$	\$
Surplus in Statement of Profit and Loss		
Opening balance	2,48,816	30,961
Add: Profit for the year	6,46,013	2,17,855
Total	8,94,829	2,48,816

Note 5 Long-term borrowings

Particulars	As at 31st Dec, 2015	As at 31st Dec, 2014
	\$	\$
Loan from holding companies	2,77,05,189	2,50,23,668
Total	2,77,05,189	2,50,23,668

Southgate Business Corp.
Notes forming part of the financial statements

Note 6 Current investments

Particulars	As at 31st Dec, 2015	As at 31st Dec, 2014
	\$	\$
(a) Investments in debentures or bonds Non - Trade, Unquoted	1,39,92,523	1,12,80,086
(b) Investments in Mutual funds	1,42,56,850	1,12,17,225
Total	2,82,49,373	2,24,97,311

Note 7 Cash and cash equivalents

Particulars	As at 31st Dec, 2015	As at 31st Dec, 2014
	\$	\$
In current accounts	1,34,299	24,44,693
Total	1,34,299	24,44,693

Note 8 Short-term loans and advances

Particulars	As at 31st Dec, 2015	As at 31st Dec, 2014
	\$	\$
Advances recoverable in cash or in kind Unsecured, considered good	2,64,710	2,64,710
Total	2,64,710	2,64,710

Note 9 Other current assets

Particulars	As at 31st Dec, 2015	As at 31st Dec, 2014
	\$	\$
Accrued Interest	1,636	1,15,770
Total	1,636	1,15,770

Southgate Business Corp.
Notes forming part of the financial statements

Note 10 Other income

Particulars	For the 12 months ended 31 Dec, 2015	For the 12 months ended 31 Dec, 2014
	\$	\$
(a) Interest income	1,12,286	2,36,220
(b) Dividend income	5,58,286	-
(a) Foreign gain loss	4,93,976	-
Total	11,64,548	2,36,220

Note 11 Finance costs

Particulars	For the 12 months ended 31 Dec, 2015	For the 12 months ended 31 Dec, 2014
	\$	\$
Interest expense on: On Working Capital and others	29,643	947
Total	29,643	947

Note 12 Other expenses

Particulars	For the 12 months ended 31 Dec, 2015	For the 12 months ended 31 Dec, 2014
	\$	\$
Loss on sale of bonds	1,37,412	-
General Charges	3,51,480	17,418
Total	4,88,892	17,418

Note 13. Commitments and Contingent Liabilities :

- | | | |
|----|--|-----|
| a. | Commitments / contingent liabilities | NIL |
| b. | Claims against the company not acknowledge as debts | NIL |
| c. | Estimated amount of contracts remaining to be executed on capital account and not provided for | NIL |

Note 14. Previous year figures have been regrouped/ re-classified to confirm to the current year's classification.

For Southgate Business Corp.

Amit D. Patel
Director